



Claire McCaskill
Missouri State Auditor

June 2006

Office of the State Treasurer

Year Ended
June 30, 2005



Office Of
Missouri State Auditor
Claire McCaskill

June 2006

The following report is our review of the Office of the State Treasurer.

The Office of State Treasurer (STO) is an elective office as provided in the Missouri Constitution. The duties of the State Treasurer are to be the custodian of all state funds; to determine the amount of state monies not needed for current operating expenses; and to invest such monies as allowed by state law. The Office of State Treasurer operates in four major functional areas: 1) accounting and banking services; 2) disbursements and records; 3) investments and deposit programs; and 4) unclaimed property.

The STO utilizes the Wagers computer system to maintain unclaimed property records. Our review of the reconciliations between the Wagers system and the Statewide Advantage System for Missouri (SAM II) disclosed a difference between receipts recorded in the two systems on the May 2005 reconciliation. The internal auditors did not investigate the \$6.3 million difference until state auditors questioned them about it. It was determined an entry error was made due to changes in the way outlawed checks were recorded when modifications were made to the Wagers system. The \$6.3 million error caused total receipts to be overstated in the Wagers system which resulted in the Governmental Accounting Standards Board Statement Number 21 liability calculation for the state's Comprehensive Annual Financial Report (CAFR) initially to be incorrect. This error was corrected prior to the issuance of the state's CAFR.

All reports are available on our website: www.auditor.mo.gov

YELLOW SHEET

OFFICE OF STATE TREASURER

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FINANCIAL SECTION

State Auditor's Reports



CLAIRE C. McCASKILL
Missouri State Auditor

**INDEPENDENT AUDITOR'S REPORT ON
THE FINANCIAL STATEMENTS**

Honorable Sarah Steelman, State Treasurer
Jefferson City, MO 65102

We have audited the accompanying financial statements of the Treasurer's General Operations Fund, Treasurer's Information Fund, Central Check Mailing Service Revolving Fund, and Abandoned Fund Account Fund of the Office of State Treasurer as of and for the year ended June 30, 2005. These financial statements are the responsibility of the office's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1.A., the financial statements of the Office of State Treasurer are intended to present the financial position and the changes in financial position and, where applicable, cash flows of only that portion of governmental activities, the business-type activities, and each major fund of the State of Missouri that is attributable to the transactions of the Office of the State Treasurer. They do not purport to, and do not, present fairly the financial position of the State of Missouri as of June 30, 2005, the changes in its financial position, or, where applicable, its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. However, the State of Missouri issued a Comprehensive Annual Financial Report for the State of Missouri for the fiscal year ended June 30, 2005, and that report was prepared in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Treasurer's General Operations Fund, Treasurer's Information Fund, Central Check Mailing Service Revolving Fund, and Abandoned Fund Account Fund of the Office of State Treasurer, as of June 30, 2005, and the changes in financial position and cash flows, where applicable, thereof for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we also have issued our report dated May 10, 2006, on our consideration of the office's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The management's discussion and analysis and the budgetary comparison information as listed in the table of contents, are not a required part of the financial statements but are supplementary information required by the accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements, taken as a whole, that are referred to in the first paragraph. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information, except for that presented in Schedule 5, has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements, taken as a whole. We did not audit the information presented in Schedule 5 and, accordingly, express no opinion on it.

The accompanying History, Organization, and Statistical Information is presented for informational purposes. This information was obtained from the office's management and was not subjected to the auditing procedures applied in the audit of the financial statements referred to above. Accordingly, we express no opinion on the information.



Claire McCaskill
State Auditor

May 10, 2006 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Kenneth W. Kuster, CPA
Audit Manager:	Jeannette Eaves, CPA
In-Charge Auditors:	Katherine K. Cardenas, CPA
	Robyn Lamb
Audit Staff:	Heather Stiles
	Carrie Koprowski



CLAIRE C. McCASKILL
Missouri State Auditor

**INDEPENDENT AUDITOR'S REPORT
ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS**

Honorable Sarah Steelman, State Treasurer
Jefferson City, MO 65102

We have audited the financial statements of the Office of State Treasurer as of and for the year ended June 30, 2005, and have issued our report thereon dated May 10, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements of the Office of State Treasurer, we considered the office's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the office's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The reportable condition is described in the accompanying Management Advisory Report.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable condition described above to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements of the Office of State Treasurer are free of material misstatement, we performed tests of the office's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended for the information and use of the management of the Office of State Treasurer and other applicable government officials. However, pursuant to Section 29.270, RSMo, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink that reads "Claire McCaskill". The signature is written in a cursive, flowing style.

Claire McCaskill
State Auditor

May 10, 2006 (fieldwork completion date)

Management's Discussion and Analysis

Management's Discussion and Analysis

The following is a discussion and analysis of the Office of State Treasurer's (the Treasurer's Office) financial activities for the fiscal year ended June 30, 2005.

HIGHLIGHTS

- The assets of the Treasurer's Office exceeded its liabilities by \$344,405. The entire amount may be used to meet the office's ongoing obligations.
- The office's total net assets increased by \$251,194. This increase is primarily attributable to the creation of the Treasurer's General Operations Fund in Senate Bill 270, and the receipts deposited to the fund to offset the costs of administering Chapter 30 of the Missouri Revised Statutes.
- As of the close of the current fiscal year, the Treasurer's Office governmental funds reported combined ending fund balances of \$236,631, an increase of \$229,599 in comparison with the prior year. The total amount is available for spending as of July 1, 2005, at the discretion of the Treasurer's Office within the purposes and limits of the office's appropriation authority.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Treasurer's Office basic financial statements comprise two components: 1) fund financial statements, and 2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Fund Financial Statements:

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Treasurer's Office, like the State of Missouri, uses fund accounting to ensure and demonstrate compliance with statutory requirements. All of the funds of the Treasurer's Office can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds: Governmental funds are used to account for most of the basic services provided by the Treasurer's Office. Governmental fund financial statements focus on short-term inflows and outflows of current financial resources and utilize the modified accrual basis of accounting. This presentation focuses on when cash will be received and disbursed making the statements useful in evaluating a government's financing requirements in the near future.

The Treasurer's Office maintains two individual governmental funds, specifically special revenue funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the Treasurer's General Operations Fund and the Treasurer's Information Fund.

Proprietary Funds: Proprietary Funds are used to account for activities similar to private businesses in which goods and services are sold for specified fees and utilize the full accrual basis of accounting. The Treasurer's Office maintains one proprietary fund, the Central Check

Mailing Service Revolving Fund. This fund is an internal service fund, used as an accounting device to accumulate and allocate costs for centralized check mailing services provided by the Treasurer's Office to other state agencies.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the state government and also utilize the full accrual basis of accounting. The Treasurer's Office maintains one fiduciary fund, the Abandoned Fund Account Fund, to account for unclaimed property turned over to the state in accordance with state statute.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the fund financial statements.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information (RSI) including a budgetary comparison schedule for the Treasurer's General Operations Fund and the Treasurer's Information Fund.

FUND STATEMENT ANALYSIS

Governmental Funds:

At the end of fiscal year 2005, the Treasurer's Office governmental funds reported combined ending fund balances of \$236,631, an increase of \$229,599 over fiscal year 2004. This entire amount is available for spending at the discretion of the Treasurer's Office within the purposes and limits of the office's appropriation authority.

Fund balances for the governmental funds are as follows:

	Treasurer's General Operations Fund	Treasurer's Information Fund	Total
Unreserved	\$215,502	\$21,129	\$236,631

The Treasurer's Information Fund was the primary operating fund for the Treasurer's Office in fiscal year 2005. At the end of fiscal year 2005, the Treasurer's Information Fund reported a total fund balance of \$21,129. The net increase in fund balance during fiscal year 2005 was \$14,097. Revenues of the Treasurer's Information Fund totaled \$301,774, and transfers in from other funds resulting from the state's cost allocation plan totaled \$273,046. Contributing factors follow:

- Funding for a portion of the Treasurer's Office personal service appropriations was shifted from the State Highway Fund to the Treasurer's Information Fund in the state's fiscal year 2005 appropriations budget.
- The Treasurer's Information Fund became a recipient fund of the state's cost allocation plan. This plan is calculated by the Office of Administration and used to allocate the costs of services provided by certain agencies to the funds of the state. Costs are allocated based on how the funds create work for the agencies in the pool. The costs of the State Treasurer's Office are allocated based on receipts into the funds.

Expenditures of the Treasurer's Information Fund totaled \$560,043 in fiscal year 2005. This was a direct result of the funding shift from the State Highway Fund to the Treasurer's Information Fund.

Proprietary Funds:

The Treasurer's Office has one proprietary fund, the Central Check Mailing Service Revolving Fund. This fund is an internal service fund, used as an accounting device to accumulate and allocate costs for centralized check mailing services provided by the Treasurer's Office to other state agencies.

The Central Check Mailing Service Revolving Fund's net assets increased by \$21,595. This is primarily due to an increase in amounts due from other funds of \$39,350.

CAPITAL ASSET ADMINISTRATION

The Treasurer's Office investment in capital assets as of June 30, 2005, was \$7,643 (net of accumulated depreciation). This investment in capital assets represents equipment owned solely by the Central Check Mailing Service Revolving Fund.

NEXT YEAR'S BUDGET

The Treasurer's Office budget for fiscal year 2006 continued the same appropriation levels as the fiscal year 2005 budget. However, primary funding for the office was moved from the General Revenue Fund and the Treasurer's Information Fund to the newly created Treasurer's General Operations Fund. This new fund was created in Senate Bill 270 and the receipts deposited to the fund shall offset the costs of administering Chapter 30 of the Missouri Revised Statutes. Primary funding for the operations of the Unclaimed Property Division were shifted to the Abandoned Fund Account Fund.

Events taking place after the fiscal year end include:

- The contract for the state's General Depository Services was awarded to Central Bank for the period January 1, 2006 through December 31, 2007. The contract contains two, one-year renewal options.
- The contract for the state's Lockbox Services was awarded to Commerce Bank for the period May 1, 2006 through April 30, 2008. The contract contains two, one-year renewal options.

Fund Financial Statements

**OFFICE OF STATE TREASURER
BALANCE SHEET
TREASURER'S GENERAL OPERATIONS
FUND 0164
June 30, 2005**

ASSETS

Cash and Cash Equivalents	\$ 86,851
Investments	<u>214,141</u>
 Total Assets	 <u><u>\$ 300,992</u></u>

LIABILITIES AND FUND BALANCES

Liabilities:

Accounts Payable	\$ 3,252
Accrued Payroll	58,440
Due to Other Funds	<u>23,798</u>
 Total Liabilities	 <u>85,490</u>

Fund Balances:

Unreserved	<u>215,502</u>
 Total Fund Balances	 <u>215,502</u>

Total Liabilities and Fund Balances	 <u><u>\$ 300,992</u></u>
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The accompanying Notes to the Financial Statements are an integral part of this statement.

OFFICE OF STATE TREASURER
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
TREASURER'S GENERAL OPERATIONS
FUND 0164
For the Fiscal Year Ended June 30, 2005

Revenues:

Value of Investments	\$ (697)
Interest Allocation	<u>301,689</u>
 Total Revenues	 <u>300,992</u>

Expenditures:

Current:

General Government	<u>85,490</u>
 Total Expenditures	 <u>85,490</u>

Excess Revenues (Expenditures)	<u>215,502</u>
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Excess Revenues (Expenditures) and Net Change in Fund Balances	215,502
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Fund Balances - Beginning	<u>0</u>
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Fund Balances - Ending	<u><u>\$ 215,502</u></u>
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The accompanying Notes to the Financial Statements are an integral part of this statement.

**OFFICE OF STATE TREASURER
BALANCE SHEET
TREASURER'S INFORMATION
FUND 0255
June 30, 2005**

ASSETS

Cash and Cash Equivalents	\$ 6,118
Investments	<u>15,084</u>
 Total Assets	 <u><u>\$ 21,202</u></u>

LIABILITIES AND FUND BALANCES

Liabilities:

Accounts Payable	\$ 10
Accrued Payroll	21
Due to Other Funds	<u>42</u>
 Total Liabilities	 <u>73</u>

Unreserved	<u>21,129</u>
Total Fund Balances	<u>21,129</u>

Total Liabilities and Fund Balances	 <u><u>\$ 21,202</u></u>
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The accompanying Notes to the Financial Statements are an integral part of this statement.

OFFICE OF STATE TREASURER
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET ASSETS
TREASURER'S INFORMATION
FUND 0255
For the Fiscal Year Ended June 30, 2005

Revenues:

Sales	\$ 311
Investment Earnings:	
Net Increase (Decrease) in the Fair Value of Investments	(30)
Contributions and Intergovernmental	300,000
Cost Reimbursement/Miscellaneous	<u>1,493</u>
Total Revenues	<u>301,774</u>

Expenditures:

Current:	
General Government	<u>560,043</u>
Total Expenditures	<u>560,043</u>
Excess Revenues (Expenditures)	<u>(258,269)</u>

Other Financing Sources (Uses):

Transfers In	273,046
Transfers Out	<u>(680)</u>
Total Other Financing Sources (Uses)	<u>272,366</u>

Net Change in Fund Balances	14,097
Fund Balances - Beginning	<u>7,032</u>
Fund Balances - Ending	<u><u>\$ 21,129</u></u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

OFFICE OF STATE TREASURER
STATEMENT OF NET ASSETS
CENTRAL CHECK MAILING SERVICE REVOLVING
FUND 0515
June 30, 2005

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 16,694
Investments	41,161
Accounts Receivable, Net	4,946
Due from Other Funds	39,350

Noncurrent Assets:

Restricted Assets:

Equipment	38,054
Less Accumulated Depreciation	<u>(30,411)</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>7,643</u>
Total Assets	<u><u>109,794</u></u>

LIABILITIES

Current Liabilities:

Accounts Payable	6
Accrued Payroll	831
Due to Other Funds	448

Noncurrent Liabilities:

Compensated Absences	<u>735</u>
Total Liabilities	<u><u>2,020</u></u>

NET ASSETS

Invested in Capital Assets, Net of Related Debt	7,643
Unrestricted	<u>100,131</u>
Total Net Assets	<u><u>\$ 107,774</u></u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

OFFICE OF STATE TREASURER
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
CENTRAL CHECK MAILING SERVICE REVOLVING
FUND 0515
For the Fiscal Year Ended June 30, 2005

Operating Revenues:

Charges for Services	\$ 147,796
Cost Reimbursement/Miscellaneous	450
Total Operating Revenues	<u>148,246</u>

Operating Expenses:

Personal Service	2,013
Operations	119,128
Inventories	778
Depreciation	4,598
Total Operating Expenses	<u>126,517</u>

Operating Income (Loss)	<u>21,729</u>
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Non-Operating Revenues (Expenses):

Investment Earnings:	
Net Increase (Decrease) in the Fair Value of Investments	<u>(134)</u>
Total Non-Operating Revenues (Expenses)	<u>(134)</u>

Income (Loss) Before Transfers	<u>21,595</u>
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Change in Net Assets	21,595
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Total Net Assets - Beginning	<u>86,179</u>
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Total Net Assets - Ending	<u><u>\$ 107,774</u></u>
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The accompanying Notes to the Financial Statements are an integral part of this statement.

Office of State Treasurer
Statement of Cash Flows
Central Check Mailing Service Revolving
Fund 0515
For the Fiscal Year Ended June 30, 2005

Cash Flows from Operating Activities:

Receipts from Customers and Users	\$ 144,632
Payments to Suppliers	(127,247)
Payments to Employees	(447)
Other Receipts (Payments)	450
Net Cash Provided (Used) by Operating Activities	<u>17,388</u>

Cash Flows from Noncapital Operating Activities:

Due to/ Due from Other Funds	<u>176</u>
Net Cash Provided (Used) by Noncapital Operating Activities	<u>176</u>

Cash Flows from Investing Activities:

Purchase of Investments	<u>(12,518)</u>
Net Cash Provided (Used) by Investing Activities	<u>(12,518)</u>

Net Increase (Decrease) in Cash	5,046
Cash and Cash Equivalents, Beginning of Year	<u>11,648</u>
Cash and Cash Equivalents, End of Year	<u><u>16,694</u></u>

Reconciliation of Operating Income of Net Cash

Provided (Used) by Operating Activities:

Operating Income	23,511
Depreciation Expense	4,598
Changes in Assets and Liabilities:	
Accounts Receivable	(4,946)
Accounts Payable	(7,341)
Compensated Absences Payable	735
Accrued Payroll	831
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 17,388</u></u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

OFFICE OF STATE TREASURER
STATEMENT OF FIDUCIARY NET ASSETS
ABANDONED FUND ACCOUNT
FUND 0863
June 30, 2005

ASSETS

Cash and Cash Equivalents	\$	5,706,648
Investments at Fair Value		14,070,397
Advance to Other Funds		61,606,645
Capital Assets:		
Equipment		23,895
Less: Accumulated Depreciation		<u>(17,470)</u>
Total Capital Assets, Net		<u>6,425</u>
 Total Assets		 <u>81,390,115</u>

LIABILITIES

Accounts Payable		4,359
Accrued Payroll		19,411
Escheats/Unclaimed Property		71,091,694
Due to Other Funds		<u>12,047</u>
 Total Liabilities		 <u>71,127,511</u>

NET ASSETS

Net Assets Held in Trust for Other Purposes	\$	<u><u>10,262,604</u></u>
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The accompanying Notes to the Financial Statements are an integral part of this statement.

OFFICE OF STATE TREASURER
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
ABANDONED FUND ACCOUNT
FUND 0863
For the Fiscal Year Ended June 30, 2005

Additions:

Interest	\$ 5
Increase/Decrease in Appreciation of Assets	(30,342)
Cost Reimbursement/Miscellaneous	125
Unclaimed Property	30,404,262
Transfers From General Revenue Fund	<u>1,400,812</u>
 Total Additions	 <u>31,774,862</u>

Deductions:

Administrative Expenses	1,209,432
Depreciation	2,014
Transfers Out	<u>20,300,812</u>
 Total Deductions	 <u>21,512,258</u>
 Change in Net Assets	 10,262,604
 Net Assets - Beginning	 <u>0</u>
 Net Assets - Ending	 <u><u>\$ 10,262,604</u></u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Notes to the Fund Financial Statements

OFFICE OF STATE TREASURER
NOTES TO THE FUND FINANCIAL STATEMENTS

1. Significant Accounting Policies

A. Financial Statements and Reporting Entity

The accompanying fund financial statements of the Office of State Treasurer have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The State Treasurer's Office has elected not to follow the Financial Accounting Standards Board's pronouncements issued after November 30, 1989, for proprietary activities.

The financial statements present the financial position, and the changes in financial position and where applicable, cash flows, of only the transactions of the Office of State Treasurer. They do not present the financial position of the State of Missouri as of June 30, 2005, the changes in its financial position, or, where applicable, its cash flows for the year then ended in conformity with GAAP. However, the State of Missouri issued a Comprehensive Annual Financial Report for the State of Missouri for the fiscal year ended June 30, 2005, in conformity with GAAP.

B. Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds.

The governmental fund financial statements are presented using the current financial resources measurement focus and modified accrual basis of accounting. With the current financial resources measurement focus, only current assets and current liabilities are included on the balance sheet. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to pay current period liabilities. Operating statements of governmental funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in fund balance. All major sources of revenue, including taxes, licenses, fees, permits, and governmental contributions are susceptible to accrual when available within 60 days. Expenditures are recognized when the related fund liability is incurred except for compensated absences (accumulated vacation and compensatory time) and sick pay are recorded as expenditures when paid.

The proprietary and private-purpose trust fund financial statements are presented using the economic resources measurement focus and accrual basis of accounting. With the economic resources measurement focus, assets and liabilities associated with the operation of these funds are included on the Statement of Net Assets.

Under the accrual basis of accounting, revenues are recognized in the period earned and expenses are recognized in the period incurred. Proprietary fund-type operating statements present revenues and expenses in total net assets. Operating revenues and expenses in proprietary funds are classified as those activities that make up the primary ongoing operations associated with those funds. Non-operating revenues and expenses in proprietary funds are classified as those activities that are deemed incidental or unusual for those funds.

C. Basis of Presentation

The Office of State Treasurer's financial practices are based upon fund accounting concepts. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and fund balances, and changes therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The accompanying financial statements are structured into three categories of funds:

- 1) Governmental Funds include the special revenue funds. These funds account for the revenues and expenditures, capital outlay, and certain debt service of the state. The Treasurer's General Operations Fund and the Treasurer's Information Fund are governmental funds.
- 2) Proprietary Funds include internal service funds. These funds account for the cost of certain services provided by the state. The Central Check Mailing Service Revolving Fund is a proprietary fund.
- 3) Fiduciary Funds include private-purpose trust funds. These funds account for assets held by the state in a trustee capacity or as an agent for individuals, other governments, and other funds. The Abandoned Fund Account Fund is a fiduciary fund.

D. Cash and Cash Equivalents

For reporting purposes, cash and cash equivalents include bank accounts, petty cash, and all investments with an original maturity of three months or less, such as certificates of deposit, money market certificates, and repurchase agreements. Cash and cash equivalents on the Central Check Mailing Service Revolving Fund Statement of Cash Flows are also reported under this definition. Cash balances of the Central Check Mailing Service Revolving Fund, Abandoned Fund Account Fund, Treasurer's Information Fund, and Treasurer's General Operations Fund are pooled with other state funds and invested by the State Treasurer.

E. Investments

These are long-term investments which are expected to be held to maturity and redeemed at face value. All investments are reported at fair value.

F. Interfund Receivables/Payables

The state makes various transactions between funds to distribute interest earnings, finance operations, provide services, service debt, and acquire capital assets. These receivables at June 30 are classified as "due from other funds" on the Balance Sheet and Statement of Net Assets. Payables are classified as "due to other funds" on the Balance Sheet and Statement of Net Assets.

G. Advance to Other Funds

Long-term interfund receivables are classified as "advances to other funds" on the Statement of Fiduciary Net Assets.

H. Capital Assets

Capital assets, which include equipment, are valued at historical cost or estimated historical cost if actual historical cost is not available. The estimate of historical cost was based on current appraised value indexed to the date of acquisition. Donated capital assets are reported at estimated fair value at the time received. Capital assets acquired through lease agreements are capitalized at the inception of the agreement.

The capitalization threshold for all equipment is \$1,000.

Equipment is depreciated using the straight-line method of depreciation over a useful life of 5 years.

I. Long-Term Debt

Long-term liabilities that will be financed from governmental funds are not reported on the fund financial statements since they are presented on the modified accrual basis of accounting. These long-term liabilities include the following:

Compensated absences include accumulated unpaid vacation and compensatory time accruals and related employer payroll taxes. These amounts are not accrued in the governmental funds but are recorded as expenditures when paid.

Vacation leave is accumulated at a rate of 10 to 14 hours per month depending on the number of years of employment. Accumulated vacation

leave cannot exceed twice the number of vacation hours earned annually. Compensatory time is accumulated as earned by an individual employee.

Sick leave is accumulated at a rate of 10 hours per month with no limit to the amount which can be accumulated. Accumulated sick leave is not paid upon employee termination and does not represent a liability of the state.

2. Deposits, Investments and Securities Lending Program

The Office of State Treasurer maintains a cash and short-term investment pool that is used by substantially all state funds. These funds do not include accrued interest. Described below is the portfolio that represents the "Cash and Cash Equivalents", "Investments", "Restricted Assets - Cash and Cash Equivalents", and "Restricted Assets - Investments" as reported at June 30, 2005.

A. Deposits

The state minimizes custodial credit risk by restrictions set forth in state law. Custodial credit risk is risk associated with the failure of a depository financial institution. In the event of a depository financial institution's failure, the State would not be able to recover its deposits or collateralized securities that are in the possession of the outside parties. Statutes restrict the State Treasurer to deposit funds in financial institutions that are physically located in Missouri which are selected based on financial stability and community involvement. The financial institution's loan to deposit ratio must exceed 50% at the time of deposit and deposits must be collateralized at least 100% with approved securities. Deposits must have a maturity of five years or less and earn interest at a rate equal to that paid on U.S. Treasury securities with equivalent maturities.

B. Investments

Statutes authorize the State Treasurer to invest in U.S. Treasury or Agency securities maturing within five years, commercial paper and banker's acceptances maturing within 180 days, or in repurchase agreements maturing within ninety days secured by U.S. Treasury or Agency securities of any maturity. There have been no violations of these investment restrictions during fiscal year 2005.

The State Treasurer minimizes credit risk, the risk of loss due to the failure of the security issuer or backer, by establishing a pre-approved list of financial institutions and companies that will be used to purchase commercial paper. The State Treasurer also conducts regular credit monitoring, pre-qualifies the financial institutions and brokers/dealers with which the Treasurer's Office will do business for broker services and repurchase agreements, and diversifies the portfolio to reduce potential losses on individual securities.

The investments include certain short-term cash equivalents, various long-term items, and restricted assets by maturity in years. The State Treasurer minimizes the risk of the market value of securities falling due to changes in interest rates by maintaining an effective duration of less than 1.5 years, and holding at least 40% of the portfolio's total market value in securities with a maturity of 12 months or less.

The state minimizes concentration of credit risk, the risk attributed to the magnitude of an investment in a single issuer. State statute prohibits the State Treasurer from investing more than 5% of the total investment portfolio into any single financial institution or issuer, excluding U.S. securities and repurchase agreements. There are no restrictions in the amount that can be invested in U.S. securities, however, there can be no more than 15% of the total portfolio invested in repurchase agreements. During fiscal year 2005, the State did not have more than 5% of total investments in a single issuer.

The State Treasurer requires investments in commercial paper and bankers' acceptances have the highest letter and numerical ranking (A1/P1) as rated by Moody's Investor Service, Inc. (Moody's) and Standard & Poor's Corporation (S & P). The Treasurer does not have any additional policies regarding credit ratings of investments.

The State Treasurer does not have a policy regarding foreign currency risk, which is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit, however the State Treasurer's Office does not have any deposits or investments in foreign currency.

C. Securities Lending Program

The Missouri State Treasurer's Office participates in a securities lending program to augment investment income. Authority to participate rests in Section 30.260.5 RSMo. Until October 2004, the program was administered by U.S. Bank as the State Treasurer's custodial agent bank, which lends certain securities to registered broker-dealers as approved by the State Treasurer's Office in exchange for collateral. As of October 2004, Bank of New York began acting as the State Treasurer's custodial bank and securities lending agent. For securities which are received as collateral under a bonds borrowed program, at least 75% of the collateral received must match the maturities of the securities lent with a maximum duration gap between loans and investments of 15 days. The maximum life of term loans shall be 90 days.

Collateral may be in the form of cash, securities issued or guaranteed by the United States Government or its agencies, or bank letters of credit or equivalent obligation if pre-approved by the State Treasurer's Office. Collateral must be provided in the amount of 102% of the then market value of the loaned securities and accrued interest, if any. The Custodian provides for full indemnification to

the State Treasurer's Office for any losses that might occur in the program due to borrower default, insolvency, or failure to return loaned securities.

3. Capital Assets

Capital asset activity for the year ended June 30, 2005, was as follows:

	Balance July 1, 2004	Increases	Decreases	Balance June 30, 2005
Governmental Activities:				
Equipment, Governmental Funds	\$ 1,699	\$ 0	\$ 0	\$ 1,699
Equipment, Proprietary Funds	<u>38,054</u>	<u>0</u>	<u>0</u>	<u>38,054</u>
Total Equipment	39,753	0	0	39,753
Less Accumulated Depreciation for:				
Equipment, Governmental Funds	(112)	(520)	0	(632)
Equipment, Proprietary Funds	<u>(26,297)</u>	<u>(4,114)</u>	<u>0</u>	<u>(30,411)</u>
Total Accumulated Depreciation	(26,409)	(4,634)	0	(31,043)
Governmental Activities Capital Assets, Net	\$ <u>13,344</u>	\$ <u>(4,634)</u>	\$ <u>0</u>	\$ <u>8,710</u>

4. Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2005 :

	Balance July 1, 2004	Increases	Decreases	Balance June 30, 2005	Due Within One Year
Governmental Activities:					
Compensated Absences	\$ <u>126,764</u>	\$ <u>40,068</u>	\$ <u>39,113</u>	\$ <u>127,719</u>	\$ <u>39,113</u>
Total Governmental Activities	\$ <u>126,764</u>	\$ <u>40,068</u>	\$ <u>39,113</u>	\$ <u>127,719</u>	\$ <u>39,113</u>

5. Payables and Receivables

A summary of accounts payable and accounts receivable at June 30, 2005, is shown below:

	Governmental Funds	Proprietary Fund	Balance June 30, 2005
Accounts Payable:			
Vendors	\$ 3,261	\$ 7	\$ 3,268
Employees	58,461	831	59,292
Total Accounts Payable	\$ 61,722	\$ 838	\$ 62,560
Accounts Receivable:			
Customers	\$ 0	\$ 4,946	\$ 4,946
Total Accounts Receivable	\$ 0	\$ 4,946	\$ 4,946

6. Interfund Assets and Liabilities

A summary of interfund assets and liabilities at June 30, 2005, is shown below :

<u>Due To/From Other Funds</u>				
	Treasurer's General Operations Fund	Treasurer's Information Fund	Central Check Mailing Service Revolving Fund	Totals
Due to Other Funds:				
General Government	\$ 2,758	\$ 33	\$ 0	\$ 2,791
Fringe Benefits	21,040	9	488	21,537
Totals	\$ 23,798	\$ 42	\$ 488	\$ 24,328
Due From Other Funds:				
General Government	\$ 0	\$ 0	\$ 39,350	\$ 39,350
Totals	\$ 0	\$ 0	\$ 39,350	\$ 39,350

Interfund assets do not equal interfund liabilities because only funds related to the State Treasurer's Office are being presented, not all state funds.

Advance To Other Funds

	<u>Abandoned Fund Account Fund</u>
Advance to Other Funds:	
General Revenue	\$ <u>61,606,645</u>
Totals	\$ <u>61,606,645</u>

Transfers (advances) were made from the Abandoned Fund Account Fund to provide resources for cash flow requirements. Section 447.543, RSMo, allows transfers to be made based on the balance of the Abandoned Fund Account Fund.

7. Subsequent Events

Events taking place after the fiscal year end include:

- The contract for the state's General Depository Services was awarded to Central Bank for the period January 1, 2006 through December 31, 2007. The contract contains two, one-year renewal options.
- The contract for the state's Lockbox Services was awarded to Commerce Bank for the period May 1, 2006 through April 30, 2008. The contract contains two, one-year renewal options.

Required Supplementary Information

**OFFICE OF STATE TREASURER
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2005**

	Treasurer's General Operations Fund				Treasurer's Information Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget	Original Budget	Final Budget	Actual	Variance with Final
Beginning Budgetary Fund Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$ 7,119	\$ 7,119	\$ 7,119	\$ 0
Resources (Inflows):								
Interest Allocation	0	0	301,689	301,689	0	0	0	0
Cost Reimbursement	0	0	0	0	1,400	1,400	1,493	93
Intergovernmental	0	0	0	0	300,000	300,000	300,000	0
Transfers In	0	0	0	0	272,680	272,680	273,357	677
Total Resources (Inflows)	<u>0</u>	<u>0</u>	<u>301,689</u>	<u>301,689</u>	<u>574,080</u>	<u>574,080</u>	<u>574,850</u>	<u>770</u>
Amount Available for Appopriation	<u>0</u>	<u>0</u>	<u>301,689</u>	<u>301,689</u>	<u>581,199</u>	<u>581,199</u>	<u>581,969</u>	<u>770</u>
Charges to Appropriations (Outflows):								
Current:								
General Government	0	0	0	0	504,135	504,135	411,319	92,816
Transfers Out	0	0	0	0	94,041	172,601	149,399	23,202
Total Charges to Appropriations	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>598,176</u>	<u>676,736</u>	<u>560,718</u>	<u>116,018</u>
Ending Budgetary Fund Balance	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 301,689</u>	<u>\$ 301,689</u>	<u>\$ (16,977)</u>	<u>\$ (95,537)</u>	<u>\$ 21,251</u>	<u>\$ 116,788</u>
Reconciling Items:								
Reclassifying Cash Equivalents as Investments			(214,838)				(15,133)	
Investments at Fair Value			214,141				15,084	
Accounts Payable			(3,252)				(10)	
Accrued Payroll			(58,440)				(21)	
Due to Other Funds			<u>(23,798)</u>				<u>(42)</u>	
Fund Balance - GAAP Basis			<u>\$ 215,502</u>				<u>\$ 21,129</u>	

The accompanying Notes to the Required Supplementary Information are an intergral part of this schedule.

OFFICE OF STATE TREASURER
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY REPORTING

The Budgetary Comparison Schedule in Required Supplementary Information (RSI) presents comparisons of the original and revised legally adopted budgets with actual data on a budgetary basis for the Treasurer's General Operations Fund and the Treasurer's Information Fund.

The Budgetary Comparison Schedule reports revenues and expenditures on a budgetary basis where "actual" revenues are recognized when cash is received, and "actual" expenditures are recognized for cash disbursements. The accounting principles applied for reporting on a budgetary basis differ from those used to present the financial statements in accordance with GAAP. A reconciliation of the two for the fiscal year ended June 30, 2005, has been presented at the bottom of the Budgetary Comparison Schedule shown on the previous page of RSI and includes data presented, on this basis, for the fiscal year, and for adjustments made in the one-month lapse period, July 1 through July 31.

The "original budget" expenditures and transfers represent the amounts originally appropriated for each fund. The "final budget" expenditures and transfers include increases to appropriations during the fiscal year.

In accordance with state statute, all state funds must have an appropriation before amounts can be expended or transferred to another state fund, therefore variances between "budgeted" and "actual" expenditures and transfers on the budgetary schedule will always be positive.

The Treasurer's General Operations Fund does not include any budgeted amounts for fiscal year 2005. The fund was created during the 2005 legislative session and was not included in the appropriations budget until fiscal year 2006.

Supplementary Information

Schedule 1

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF APPROPRIATIONS AND EXPENDITURES

	Year Ended June 30,					
	2005			2004		
	Appropriation Authority	Expenditures	Lapsed Balances	Appropriation Authority	Expenditures	Lapsed Balances**
GENERAL REVENUE FUND						
Issuing duplicate/outlawed checks	\$ 2,875,000	2,859,264	15,736	3,225,000	1,124,492	2,100,508
Services to monitor companies doing business in Northern Ireland	0	0	0	4,500	0	4,500
Lease and utility expense	2,867	345	2,522	4,388	1,521	2,867 *
Personal service	1,439,812	1,439,106	706	1,378,412	1,321,101	57,311
Expense and equipment	289,505	289,092	413	380,383	354,576	25,807
Refunds of excess interest from the linked deposit program	3,000	38	2,962	3,000	2,333	667
Total General Revenue Fund	4,610,184	4,587,845	22,339	4,995,683	2,804,023	2,191,660
TREASURER'S INFORMATION FUND						
Personal service	479,135	409,919	69,216	0	0	0
Expense and equipment	25,000	1,400	23,600	25,000	2,529	22,471
Total Treasurer's Information Fund	504,135	411,319	92,816	25,000	2,529	22,471
CENTRAL CHECK MAILING SERVICE						
REVOLVING FUND						
Expense and equipment	225,000	118,915	106,085	225,000	159,771	65,229
STATE HIGHWAYS AND TRANSPORTATION DEPARTMENT FUND						
Personal service	0	0	0	464,135	464,134	1
SECOND INJURY FUND						
Personal service	37,875	37,874	1	36,675	36,674	1
Expense and equipment	3,280	3,280	0	3,280	3,280	0
Total Second Injury Fund	41,155	41,154	1	39,955	39,954	1
ABANDONED FUND ACCOUNT FUND						
Expense and equipment	580,000	579,461	539	1,119,000	1,109,851	9,149
Payment of claims for abandoned property	19,750,000	19,432,004	317,996	20,000,000	18,739,655	1,260,345
Total Abandoned Fund Account Fund	20,330,000	20,011,465	318,535	21,119,000	19,849,506	1,269,494
Total All Funds	\$ 25,710,474	25,170,698	539,776	26,868,773	23,319,917	3,548,856

* Biennial appropriations set up in fiscal year 2004 are re-appropriations to fiscal year 2005. After the fiscal year-end processing has been completed, the unexpended fiscal year 2004 appropriation balance for a biennial appropriation is established in fiscal year 2005. Therefore, there is no lapsed balance for a biennial appropriation at the end of fiscal year 2004.

The accompanying Notes to the Supplementary Information are an integral part of this statement.

Schedule 2

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF EXPENDITURES (FROM APPROPRIATIONS)

	Year Ended June 30,	
	2005	2004
Personal service	\$ 1,886,899	1,821,909
Travel	6,371	11,774
Expense and equipment	206,507	278,807
Communications expense	38,120	39,092
Professional services	584,516	1,125,527
Equipment repairs and maintenance	64,943	71,099
Equipment and software purchases	92,036	105,229
Abandoned fund claim payments	19,432,004	18,739,655
Replacement of outlawed checks	2,859,264	1,124,492
Refunds of excess interest from the linked deposit program	38	2,333
Total Expenditures	\$ <u>25,170,698</u>	<u>23,319,917</u>

The accompanying Notes to the Supplementary Information are an integral part of this statement.

Schedule 3

OFFICE OF STATE TREASURER
STATEMENT OF CHANGES IN GENERAL CAPITAL ASSETS
YEAR ENDED JUNE 30, 2005

	Furniture and Equipment	Motor Vehicles	Total General Capital Assets
Balance, June 30, 2004	\$ 890,209	16,582	906,791
Additions	60,452	0	60,452
Dispositions	(97,096)	0	(97,096)
Balance, June 30, 2005	<u>\$ 853,565</u>	<u>16,582</u>	<u>870,147</u>

Fund of Acquisition	Balance June 30, 2005
General Revenue Fund	\$ 804,406
Central Check Mailing Service Revolving Fund	38,054
Second Injury Fund	2,093
Abandoned Fund Account Fund	23,895
Treasurer's Information Fund	1,699
Total All Funds	<u>\$ 870,147</u>

The accompanying Notes to the Supplementary Information are an integral part of this statement.

Schedule 4

OFFICE OF STATE TREASURER

COMPARATIVE STATEMENT OF FUNDS IN CUSTODY OF STATE TREASURER

	June 30,				
	2005	2004	2003	2002	2001
APPROPRIATED FUNDS					
Demand Deposits:					
US Bank	\$ 372,704	12,247,705	(5,845,909)	2,576,463	19,067,922
Central Bank	(130,664,664)	(58,532,570)	(133,946,937)	(138,593,954)	(171,270,259)
Premier Bank	70,273	58,705	17,025	43,795	23,742
Collection bank accounts	5,570,434	3,953,086	3,640,880	4,938,377	1,269,172
Bank of New York Midwest	(153,823)	N/A	N/A	N/A	N/A
Total Demand Deposits	(124,805,076)	(42,273,074)	(136,134,941)	(131,035,319)	(150,909,423)
Pooled Investments:					
Time deposits	410,099,652	373,397,355	326,995,334	367,178,643	453,435,866
U.S. government securities	1,517,146,443	1,678,892,718	1,701,713,339	1,447,407,896	1,419,273,616
Commercial paper and banker acceptances	511,579,780	516,179,983	516,971,919	694,144,369	873,037,428
Repurchase agreements	256,490,000	356,298,000	361,795,000	527,329,300	341,656,000
Total Pooled Investments	2,695,315,875	2,924,768,056	2,907,475,592	3,036,060,208	3,087,402,910
Total Demand Deposits and Pooled Investments (Schedule 5)	2,570,510,799	2,882,494,982	2,771,340,651	2,905,024,889	2,936,493,487
Special Fund Dedicated Investments:					
U.S. government securities	22,490,817	22,307,523	19,513,106	17,611,544	16,703,999
Donated corporate stock	5,130	5,130	5,130	5,130	5,130
Total Special Fund Dedicated Investments	22,495,947	22,312,653	19,518,236	17,616,674	16,709,129
Total Appropriated Funds	2,593,006,746	2,904,807,635	2,790,858,887	2,922,641,563	2,953,202,616
NONAPPROPRIATED FUNDS					
Demand deposits	12,690,878	12,326,160	36,701	184,828	19,312
Repurchase agreements	5,694,294	8,329,000	19,406,000	96,338,000	110,607,600
US government securities	0	15,105,450	64,522,948	65,418,122	65,312,467
Total Nonappropriated Funds (Schedule 6)	18,385,172	35,760,610	83,965,649	161,940,950	175,939,379
Total Cash and Investments	\$ 2,611,391,918	2,940,568,245	2,874,824,536	3,084,582,513	3,129,141,995

N/A There were no demand deposits at this bank for the years indicated.

The accompanying Notes to the Supplementary Information are an integral part of this statement.

Schedule 5

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF
"LIST OF BALANCES IN THE SEVERAL FUNDS"

(U N A U D I T E D)

	June 30,				
	2005	2004	2003	2002	2001
General Revenue Fund	\$ 301,985,863	505,819,660	288,668,747	326,037,792	438,697,261
Budget Reserve Fund	463,329,448	444,203,058	462,371,185	469,923,934	451,979,496
Budget Stabilization Fund	0	0	0	0	0
Cash Operating Reserve - General Revenue Fund	0	0	0	0	0
Abandoned Fund Account Fund	19,822,818	5,777,567	2,925,399	2,197,539	2,799,058
Abandoned Mine Reclamation Fund	344,821	1,009,746	992,668	906,128	805,733
Academic Scholarship Fund	28,768	286,706	330,882	133,211	327,773
Acupuncturist Fund	47,866	48,722	45,512	22,352	0
Adjutant General - Federal Fund	3,682,703	3,499,460	2,531,799	2,513,349	1,259,644
Adjutant General Revolving Fund	68,384	83,706	96,929	112,537	110,311
Administrative Trust Fund	11,756,442	10,389,140	10,257,922	11,906,971	12,353,604
Advantage Missouri Trust Fund	543,863	379,860	105,864	166,500	82,906
Agricultural Product Utilization and Business Development Loan Guarantee Fund	4	4	N/A	N/A	N/A
Agricultural Product Utilization Business Development Loan Guarantee Fund	1	1	1	1	1
Agricultural Product Utilization Grant Fund	20	19	41	48,656	73,417
Agriculture Bond Trustee Fund	0	0	0	0	0
Agriculture Development Fund	93,394	62,256	82,753	81,312	64,422
ALS Lou Gehrig's Disease Fund	956	N/A	N/A	N/A	N/A
Alternative Care Trust Fund	3,497,951	3,394,342	2,972,087	2,724,219	2,011,676
American Cancer Society Fund	1,157	N/A	N/A	N/A	N/A
American Diabetes Association Fund	589	N/A	N/A	N/A	N/A
American Heart Association Fund	538	N/A	N/A	N/A	N/A
American Lung Association of Missouri Fund	136	N/A	N/A	N/A	N/A
Americans With Disabilities Act Compliance Fund	0	0	0	30,362	283,262
Animal Care Reserve Fund	201,241	162,834	150,306	114,357	143,176
Animal Health Laboratory Fee Fund	216,148	184,004	174,107	222,038	247,997
Antiterrorism Fund	3,681	988	N/A	N/A	N/A
Apple Merchandising Fund	4,155	3,996	5,813	15,171	10,386
Aquaculture Marketing Development Fund	0	0	7	1	0
Arrow Rock State Historic Site Fund	23,141	22,661	22,278	N/A	N/A
Arthritis Foundation Fund	2,128	N/A	N/A	N/A	N/A
Assistive Technology Loan Revolving Fund	2,291,607	2,072,894	1,141,856	1,020,146	469,704
Athletic Agent Fund	10,760	N/A	N/A	N/A	N/A
Athletic Fund	614,663	515,626	424,024	472,084	405,982
Attorney General - Federal and Other Fund	203,096	252,576	29,349	4,706	46,212
Attorney General Anti-Trust Revolving Fund	20,658	128,388	488,419	597,451	314,260
Attorney General Court Costs Fund	33,411	49,908	67,090	48,937	48,898
Attorney General Trust Fund	60,755	0	N/A	N/A	N/A
Aviation Trust Fund	10,660,800	2,737,048	3,259,469	5,840,058	8,593,264
Basic Civil Legal Services Fund	64,764	260,857	N/A	N/A	N/A
Bingo Proceeds for Education Fund	2,966,004	4,913,574	5,048,369	6,165,023	5,910,434
Biodiesel Fuel Revolving Fund	138,065	191,385	2,655	N/A	N/A
Blind Pension Fund	12,474,814	12,728,361	12,495,281	10,448,724	7,949,388
Blindness Education, Screening and Treatment Program Fund	562,218	539,975	469,756	305,462	113,420
Board of Barber Examiners Fund	447,067	571,704	277,404	394,477	106,499
Board of Embalmers and Funeral Directors Fund	863,989	1,162,774	598,740	907,167	329,728
Board of Geologist Registration Fund	225,603	193,549	168,367	141,930	101,147
Board of Pharmacy Fund	2,889,012	2,718,220	2,563,783	2,283,999	2,042,991
Board of Registration for the Healing Arts Fund	4,061,032	6,419,544	4,492,400	6,765,256	5,174,356
Boiler and Pressure Vessels Safety Fund	431,550	475,950	342,438	N/A	N/A
Boll Weevil Suppression and Eradication Fund	77,357	39,460	5,466	9,158	0
BPB Series A 2003 Bond Proceeds - Projects Fund	55,635,554	118,185,365	203,204,063	N/A	N/A
BPB Series A 2003 Bond Proceeds - Notes Fund	41,081	40,320	24,360	N/A	N/A
Bridge Scholarship Fund	0	0	0	0	0
Business Extension Service Team Fund	316,329	327,522	298,179	1,544,580	4,962,020
Central Check Mailing Service Revolving Fund	57,989	38,930	42,924	3,126	6,980

Schedule 5

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF
"LIST OF BALANCES IN THE SEVERAL FUNDS"

(U N A U D I T E D)

	June 30,				
	2005	2004	2003	2002	2001
Champ W. Smith & Mary C. Smith					
Memorial Endowment Trust Fund	382,661	380,256	388,011	413,079	424,095
Chemical Emergency Preparedness Fund	686,467	702,192	634,562	554,474	651,174
Childhood Lead Testing Fund	260,908	166,542	N/A	N/A	N/A
Child Labor Enforcement Fund	159,450	164,455	163,877	138,996	43,995
Child Support Enforcement Fund	7,923,790	10,181,912	6,304,558	4,595,307	7,762,255
Children's Trust Fund	3,022,165	3,278,420	3,302,480	3,578,065	4,250,891
Clinical Social Workers Fund	774,649	795,507	695,706	675,815	568,315
Coal Mine Land Reclamation Fund	711,847	780,537	839,048	831,359	908,615
Committee of Professional Counselors Fund	1,037,538	992,245	803,934	805,425	416,898
Commodity Council Merchandising Fund	63,126	48,208	41,751	8,591	24,488
Community Service Commission Fund	4,599	27,657	7,108	165	14,367
Compulsive Gamblers Fund	641,514	515,250	352,265	176,940	10,124
Concentrated Animal Feeding Operation Indemnity Fund	322,216	279,969	216,740	189,030	154,534
Confederate Memorial Park Fund	144,254	141,266	138,904	135,595	130,751
Conservation Commission Fund	31,333,950	29,535,857	27,218,529	24,343,917	17,034,452
Correctional Substance Abuse Earnings Fund	549,764	457,559	366,640	265,324	174,670
County Aid Road Trust Fund	116	116	116	116	116
Crime Victims' Compensation Fund	7,006,695	7,763,696	7,813,312	7,663,263	7,750,711
Criminal Justice Network and Technology Revolving Fund	444,472	484,729	620,322	701,518	550,912
Criminal Record System Fund	3,919,887	6,148,943	6,664,778	6,973,044	6,085,569
Crippled Children's Service Fund	68,199	130,737	205,812	269,420	439,710
Deaf Relay Service Fund	2,016,978	3,300,513	4,327,037	6,485,237	7,357,731
Debt Offset Escrow Fund	7,768,411	7,903,524	8,929,246	20,364,842	17,509,906
Dental Board Fund	1,329,291	610,887	1,130,372	433,982	408,942
Department of Agriculture - Federal Fund	611,745	482,230	699,123	784,195	17,179
Department of Corrections - Federal Fund	583,747	688,738	614,585	111,482	2,464,906
Department of Economic Development - Community					
Development Block Grant Administration Fund	51,525	67,459	20,038	3,983	46,476
Department of Economic Development - Community					
Development Block Grant Pass-through Fund	20,865	63,662	53,263	1,845,536	35,736
Department of Economic Development -					
Federal and Other Fund	30,476	30,476	30,609	99,533	29,062
Department of Economic Development -					
Management Information Systems -					
Federal and Other Fund	129	129	129	129	129
Department of Economic Development -					
Missouri Council on the Arts -					
Federal and Other Fund	58,626	12,082	14,615	13,835	12,242
Department of Economic Development - Women's					
Council - Federal Fund	5,433	5,433	5,433	5,433	5,433
Department of Economic Development Administrative Fund	388,832	411,013	572,139	207,785	221,601
Department of Health - Donated Fund	176,920	209,211	359,452	774,473	747,772
Department of Health - Federal Fund	6,467,315	6,003,963	3,143,988	2,691,986	1,151,130
Department of Health Document Services Fund	30,944	278,796	20,239	23,585	49,852
Department of Health Interagency Payments Fund	2	2	56,672	245,758	223,159
Department of Higher Education - Federal Fund	102,916	19,234	47,877	28,328	26,187
Department of Insurance Dedicated Fund	7,860,899	6,206,867	12,147,179	10,076,526	9,190,004
Department of Labor and Industrial Relations -					
Administrative Fund	132,176	213,448	1,012,498	3,849,088	383,796
Department of Labor and Industrial Relations -					
Commission on Human Rights - Federal Fund	551,103	700,515	790,723	674,639	1,392,396
Department of Labor and Industrial Relations -					
Crime Victims -Federal Fund	4,688	0	0	72	96,269
Department of Mental Health - Federal Fund	21,519,186	23,479,160	29,239,753	30,668,576	55,593,079
Department of Natural Resources - Federal and Other Fund	6,373,371	1,962,694	3,427,103	4,678,658	6,522,883
Department of Natural Resources Cost Allocation Fund	914,649	1,431,088	1,127,444	872,858	858,747
Department of Natural Resources Revolving Services Fund	643,668	420,859	377,967	571,454	209,629

Schedule 5

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF
"LIST OF BALANCES IN THE SEVERAL FUNDS"

(U N A U D I T E D)

	June 30,				
	2005	2004	2003	2002	2001
Department of Public Safety - Federal Fund	384,351	801,449	96,775	119,958	338,119
Department of Public Safety - Highway Safety Fund	1,840,351	550,989	101,637	127,327	128,543
Department of Public Safety - JAIBG Fund	3,292,641	2,650,334	7,434,315	8,521,054	5,195,957
Department of Revenue - Federal Fund	650,392	207,210	154,105	207,790	212,081
Department of Revenue Information Fund	915,401	194,100	607,879	565,113	512,115
Department of Social Services - Federal and Other Fund	549	501	0	0	1,127,274
Department of Social Services Administrative Trust Fund	189,035	349,682	704,197	169,949	736,244
Department of Social Services Educational Improvement Fund	2,179,442	3,060,304	3,379,189	3,602,098	2,855,751
DESE -- Medicaid Fund	0	0	N/A	N/A	N/A
Design and Construction Donated Fund	9	9	9	9	9
Dietitian Fund	297,550	358,617	249,600	326,345	93,820
Division of Aging - Federal and Other Fund	10	449	425	94	1,891,908
Division of Aging Donations Fund	1,599	1,599	1,599	1,599	1,599
Division of Aging Elderly Home Delivered Meals Trust Fund	86,908	111,855	142,575	94,066	101,748
Division of Credit Unions Fund	227,240	122,938	169,200	280,934	359,639
Division of Family Services - Administrative Fund	6,894,735	26,280,945	34,026,564	15,700,137	14,567,652
Division of Family Services Donations Fund	53,624	135,185	192,322	180,335	272,833
Division of Finance Fund	731,434	730,208	305,021	295,004	673,349
Division of Labor Standards - Federal Fund	304	0	6,945	13,849	13,616
Division of Savings and Loan Supervision Fund	27,364	25,921	28,971	29,010	40,692
Division of Tourism Supplemental Revenue Fund	3,326,761	2,544,679	2,544,150	4,114,661	4,184,763
Division of Youth Services - Federal and Other Fund	13	13	8	10	648,999
DNA Profiling Analysis Fund	332,467	N/A	N/A	N/A	N/A
Doctor Edmund A. Babler Memorial - State Park Fund	729,615	737,715	752,269	791,079	836,892
Domestic Relations Resolution Fund	138,924	343,455	611,081	641,396	569,705
Drug Court Resources Fund	932,269	762,917	191,936	N/A	N/A
Dry-Cleaning Environmental Response Trust Fund	2,524,582	2,091,208	1,489,376	825,019	208,690
Early Childhood Development, Education and Care Fund	5,907,270	5,661,080	10,202,919	32,676,659	43,821,123
Economy Rate Telephone Service Fund	0	0	0	0	50
Election Administration Improvement Fund	53,419,966	62,373,206	17,357,004	N/A	N/A
Election Improvement Revolving Loan Fund	128	0	0	N/A	N/A
Elementary and Secondary Education - Federal and Other Fund	5,001,336	3,793,758	3,574,431	1,601,085	1,229,874
Elevator Safety Fund	216,798	47,122	216,197	145,066	85,906
Endowed Care Cemetery Audit Fund	339,996	315,418	264,063	255,647	218,963
Energy Set-Aside Program Fund	14,884,150	16,560,253	21,642,086	21,567,293	22,336,181
Escheats Fund	0	793	0	6,854,394	6,872,791
Excellence in Education Fund	1,867,649	1,598,967	1,629,046	1,426,892	1,099,804
Facilities Maintenance Reserve Fund	32,620,048	42,261,310	1,126,709	10,204,928	30,966,318
Fair Share Fund	2,204,084	1,898,589	2,017,456	1,987,035	2,105,985
Family Support Loan Fund	19,551	21,187	19,608	116,614	114,995
Federal - Missouri Department of Insurance Fund	0	0	0	0	0
Federal and Other Fund	12,110	91,102	164,219	14,704	2,850
Federal Drug Seizure Fund	2,006,482	1,393,213	757,337	1,295,193	2,237,474
Federal Reimbursement Allowance Fund	7,770,975	5,640,973	33,195,414	13,978,859	23,147,141
Federal Student Loan Reserve Fund	11,255,771	15,504,380	22,234,075	20,486,626	26,959,150
Federal Surplus Property Fund	1,938,644	2,128,981	1,995,073	1,649,261	1,690,580
Fine Collections Center Interest Revolving Fund	0	0	1	850	10,129
Fire Education Fund	220,472	0	0	0	0
Firing Range Fee Fund	1,434	1,434	1,434	1,434	1,434
Fourth State Building - Series A 1998	8,440,071	8,564,555	10,117,941	11,656,995	15,350,156
Fourth State Building Bond and Interest - Series A 1995	0	2,590,869	3,369,624	5,938,049	6,112,982
Fourth State Building Bond and Interest - Series A 1996	4,200,286	5,140,410	9,262,607	9,837,013	10,142,670
Fourth State Building Bond and Interest - Series A 1998	3,517,802	3,530,700	3,578,120	3,674,666	3,804,229
Fourth State Building Bond and Interest - Series A 2002	7,435,272	7,394,105	7,542,860	N/A	N/A
Fourth State Building Bond and Interest - Series A 2005	2,568	N/A	N/A	N/A	N/A
Gaming Commission Bingo Fund	0	0	0	0	2,537

Schedule 5

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF
"LIST OF BALANCES IN THE SEVERAL FUNDS"

(UNAUDITED)

	June 30,				
	2005	2004	2003	2002	2001
Gaming Commission Fund	4,236,913	10,837,736	4,001,746	4,210,689	4,690,850
Gaming Proceeds for Education Fund	10,109,538	9,958,905	7,715,821	16,838,239	13,416,742
GEAR-UP Scholarship Fund	3,784,564	2,945,008	1,325,932	1,302,681	N/A
General Revenue Reimbursements Fund	3,584	1,829,840	722,693	11,913,176	6,500,746
Governor's Committee on Employment of the Handicapped - Federal Fund	271,547	233,220	159,262	199,584	704,496
Governor's Council on Physical Fitness Institution Gift Trust Fund	4,855	35,205	3,113	N/A	N/A
Grade Crossing Safety Account Fund	5,425,074	4,856,618	4,827,077	4,654,379	4,872,583
Grain Inspection Fees Fund	586,324	530,403	544,691	451,865	340,234
Groundwater Protection Fund	283,226	174,818	110,973	116,628	207,197
Guaranty Agency Operating Fund	19,879,552	15,672,059	10,279,228	7,527,667	6,970,923
Handicapped Children's Trust Fund	23	23	23	23	23
Hazardous Waste Fund	939,173	707,816	888,282	1,076,035	962,798
Hazardous Waste Remedial Fund	2,788,388	3,194,368	3,366,617	2,582,929	2,829,818
Head Injury Fund	1,108,372	728,437	457,855	N/A	N/A
Health Access Incentive Fund	1,164,668	990,833	1,015,562	753,390	582,825
Health Initiatives Fund	3,193,366	3,516,694	3,436,477	5,847,311	8,298,720
Health Spa Regulatory Fund	116,240	102,950	98,050	87,620	76,161
Healthy Families Trust Fund	1,369,022	1,782,323	4,027,543	0	211,330,653
Healthy Families Trust Fund - Early Childhood Care and Education Account Fund	0	0	266,913	788,659	0
Healthy Families Trust Fund - Health Care Treatment and Access Account Fund	1,603,328	2,450,828	3,579,837	6,845,344	0
Healthy Families Trust Fund - Life Sciences Research Account Fund	0	0	0	11,730	0
Healthy Families Trust Fund - Seniors Catastrophic Prescription Drug Account Fund	0	1,945	16,295	60,847,227	0
Healthy Families Trust Fund - Tobacco Prevention, Education and Cessation Account Fund	102,706	77,048	62,244	47,129	0
Hearing Instrument Specialist Fund	127,761	118,395	106,458	100,021	91,419
Highway Patrol Academy Fund	690,223	624,129	496,506	486,645	464,005
Highway Patrol Inspection Fund	2,931,512	1,508,279	2,888,801	3,874,665	2,519,683
Highway Patrol's Motor Vehicle and Aircraft Revolving Fund	6,896,180	7,565,814	5,425,200	3,865,254	4,517,360
Highway Patrol Traffic Records Fund	489,786	301,342	N/A	N/A	N/A
Historic Preservation Revolving Fund	843,127	876,012	853,885	1,390,762	1,471,854
Homeland Security Fund	1	1	80,202	N/A	N/A
House of Representatives Revolving Fund	51,522	39,190	36,077	13,221	81
Independent Living Center Fund	304,511	478,636	689,688	529,844	404,258
Infrastructure Development Fund	0	0	0	0	0
Inmate Incarceration Reimbursement Act Revolving Fund	483,008	388,077	264,748	212,093	184,618
Inmate Revolving Fund	1,442,433	1,026,148	895,119	1,460,329	2,556,898
Insurance Examiners Fund	1,024,819	1,013,506	879,199	649,861	523,237
Intergovernmental Transfer Fund	999	1,197,614	992,173	26,477,310	2,000,000
Interior Design Council Fund	56,754	49,755	49,357	28,456	19,975
International Trade Show Revolving Fund	47,600	85,913	74,551	75,510	67,835
Investors Restitution Fund	6,629,999	6,620,895	1,000	N/A	N/A
Job Development and Training Fund	2,143,220	1,582,431	401,199	671,693	2,619,964
Judiciary Education and Training Fund	666,479	573,328	521,287	591,887	194,489
Kid's Chance Scholarship Fund	325,100	268,736	214,653	160,420	105,710
Landscape Architectural Council Fund	0	0	0	37,434	15,663
Legal Defense and Defender Fund	126,823	412,516	134,253	206,881	163,647
Legal Services For Low-Income People Fund	3,655	1,629	46,728	1,013,280	N/A
Library Networking Fund	518,213	118,757	206,179	74,550	15,104
Licensed Perfusionists Fund	0	0	0	0	0
Light Rail Safety Fund	0	0	0	0	30
Livestock Brands Fund	14,688	621	24,425	0	9,104

Schedule 5

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF
"LIST OF BALANCES IN THE SEVERAL FUNDS"

(UNAUDITED)

	June 30,				
	2005	2004	2003	2002	2001
Livestock Dealer Law Enforcement and Administration Fund	233	230	238	351	45
Livestock Sales and Markets Fees Fund	2,787	0	0	37	75
Local Records Preservation Fund	1,462,424	1,614,128	1,278,405	976,075	1,141,354
Lottery Proceeds Fund	24,566,315	31,198,540	14,727,175	15,558,203	30,556,966
Mammography Fund	497,727	442,334	394,348	336,334	274,339
Manufactured Housing Fund	715,681	409,100	127,791	132,165	263,293
March of Dimes Fund	483	N/A	N/A	N/A	N/A
Marguerite Ross Barnett Scholarship Fund	4,934	5,930	83,855	121,866	65,027
Marital and Family Therapists Fund	66,640	68,489	51,158	50,969	56,437
Marketing Development Fund	1,363,253	1,320,362	976,427	482,875	348,237
Massage Therapy Fund	819,030	421,116	454,723	281,497	300,677
MCSAP/Division of Transportation - Federal Fund	192,625	214,037	156,769	15,277	877
Medicaid Fraud Reimbursement Fund	5,000	5,000	5,000	5,000	5,000
Medical School Loan and Loan Repayment Program Fund	37	24,527	66,930	107,406	153,820
Mental Health Earnings Fund	374,613	315,647	338,079	516,977	552,617
Mental Health Housing Trust Fund	4,880	4,779	4,994	4,876	4,702
Mental Health Interagency Payments Fund	701,919	829,898	564,969	235,028	776,271
Mental Health Intergovernmental Transfers Fund	0	0	0	N/A	N/A
Mental Health Trust Fund	4,050,976	4,525,994	5,435,457	4,228,512	3,955,680
Meramec-Onondaga State Parks Fund	1,071,234	1,059,184	1,059,803	1,053,908	1,034,424
Merchandising Practices Revolving Fund	2,142,483	2,640,623	3,065,658	3,317,361	3,277,363
Metallic Minerals Waste Management Fund	93,702	117,068	145,960	175,343	216,708
Microfilming Service Revolving Trust Fund	0	0	0	0	35,768
Mined Land Reclamation Fund	2,755,011	3,004,429	3,634,743	3,744,535	3,839,689
Missouri Air Emission Reduction Fund	3,574,328	3,203,528	2,866,868	2,282,557	1,748,643
Missouri Air Pollution Control Fund	65,909	92,840	102,122	77,436	65,107
Missouri Alternative Fuel Vehicle Loan Fund	2,916	2,887	306,268	300,031	0
Missouri Arts Council Trust Fund	4,524,175	6,644,135	9,676,993	10,233,207	8,928,801
Missouri Board Of Occupational Therapy Fund	395,111	431,955	496,972	417,032	444,509
Missouri Breeders Fund	86,411	84,621	83,206	81,235	78,342
Missouri Capital Access Program Fund	0	0	0	0	0
Missouri CASA Fund	76,070	74,471	94,610	57,320	N/A
Missouri Children's Service Commission Fund	2,004	1,956	16,698	16,846	16,632
Missouri College Guarantee Fund	1,041,607	565,318	346,098	1,279,252	4,802,651
Missouri Commission for the Deaf Board of Certification of Interpreters Fund	16,484	10,288	11,772	14,793	21,516
Missouri Commission for the Deaf and Hard of Hearing Fund	11,894	3,131	N/A	N/A	N/A
Missouri Community College Job Training Program Fund	164,012	10,187	548,779	7,428	7,428
Missouri Consolidated Health Care Plan Benefit Fund	11,242	11,242	11,242	11,498	6,381,838
Missouri Crime Prevention Information and Programming Fund	9,793	10,032	11,004	12,539	6,458
Missouri Disaster Fund	1,356	7,021	7,171	1,674	59,556
Missouri Horse Racing Fund	0	0	0	0	69
Missouri Housing Trust Fund	4,984,304	6,000,234	5,987,387	5,259,163	3,972,815
Missouri Humanities Council Trust Fund	1,934,485	1,894,415	1,862,715	1,818,205	1,469,871
Missouri Job Development Fund	1,333,728	2,899,054	1,547,817	146,545	1,459,977
Missouri Lead Abatement Loan Fund	255,484	279,565	274,848	N/A	N/A
Missouri Main Street Program Fund	1,670	3,450	4,177	4,177	4,177
Missouri National Guard Training Site Fund	214,035	273,402	207,349	107,663	99,878
Missouri National Guard Trust Fund	4,600,196	2,790,984	2,838,401	3,360,144	3,583,921
Missouri Office of Prosecution Services Fund	504,964	418,245	303,091	164,422	64,200
Missouri Office of Prosecution Services Revolving Fund	22,757	22,639	35,891	40,009	23,100
Missouri Prospective Teachers Loan Fund	22,989	22,522	22,158	20,109	16,259
Missouri Public Health Services Fund	2,188,310	1,200,389	588,382	107,118	306,295
Missouri Public Television Broadcasting Corporation Special Fund	0	0	0	0	216,419
Missouri Qualified Fuel Ethanol Producer Incentive Fund	0	0	0	0	0

Schedule 5

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF
"LIST OF BALANCES IN THE SEVERAL FUNDS"

(U N A U D I T E D)

	June 30,				
	2005	2004	2003	2002	2001
Missouri Real Estate Commission Fund	5,907,228	4,571,025	4,290,189	3,450,336	3,244,715
Missouri Senior Rx Fund	5,440,727	3,590,428	1,873,708	2,198,984	N/A
Missouri State Employees' Deferred Compensation Incentive Plan Administration Fund	940	940	940	962	(636)
Missouri Student Grant Program Gift Fund	0	0	0	0	0
Missouri Supplemental Tax Increment Financing Fund	1	0	46,284	0	0
Missouri Technology Investment Fund	111,398	93,629	4,767	5,778	22,765
Missouri Veterans Commission - Federal Fund	569,504	572,273	894,320	757,111	249,269
Missouri Veterans Homes Fund	568,104	1,593,988	472,920	27,816	941,428
Missouri Water Development Fund	4	0	0	0	0
Missouri Wine Marketing and Research Development Fund	400	0	96	0	32
Motor Fuel Tax Fund	1,923,994	2,256,189	1,529,794	674,534	2,104,108
Motor Vehicle Commission Fund	1,839,859	2,025,639	2,075,294	1,918,611	1,788,174
Motorcycle Safety Trust Fund	212,346	166,302	183,105	2,537	284
Multimodal Operations Federal Fund	570,105	649,430	430,004	789,464	587,638
Muscular Dystrophy Association Fund	115	N/A	N/A	N/A	N/A
National Endowment for the Humanities - Save America's Treasures Fund	0	0	0	0	N/A
National Multiple Sclerosis Society Fund	670	N/A	N/A	N/A	N/A
Natural Resources Protection Fund	1,838,154	1,540,814	592,715	595,253	581,448
Natural Resources Protection Fund - Air Pollution Asbestos Fee Subaccount Fund	488,236	579,097	764,459	870,076	1,005,211
Natural Resources Protection Fund - Air Pollution Permit Fee Subaccount Fund	9,243,390	9,551,141	9,984,206	10,375,446	12,180,479
Natural Resources Protection Fund - Water Pollution Permit Fee Subaccount Fund	12,632,167	11,411,156	10,860,096	12,225,233	11,741,569
Nursing Facility Federal Reimbursement Allowance Fund	6,804,049	9,941,843	7,062,371	6,478,933	5,216,824
Nursing Facility Quality of Care Fund	2,235,594	1,446,719	1,962,036	1,920,164	1,793,330
Office of Administration - Federal and Other Fund	35,240	260,478	224,568	236,802	325,238
Office of the State Public Defender - Federal and Other Fund	19,906	19,906	19,906	19,909	19,909
Oil and Gas Remedial Fund	35,058	35,058	14,488	14,488	14,488
Optometry Fund	425,541	264,812	349,392	217,297	202,748
Organ Donor Program Fund	553,219	720,613	866,581	922,520	894,291
Organic Production and Certification Fee Fund	9,306	7,233	N/A	N/A	N/A
Outstanding Schools Trust Fund	340,449	262,365	252,532	68,882,571	155,180,181
Pansey Johnson-Travis Memorial State Gardens Trust Fund	27,543	21,036	19,384	17,625	15,707
Pansey Johnson-Travis Stocks and Securities Trust Fund	N/A-1	N/A-1	N/A-1	N/A-1	N/A-1
Peace Officers Standards and Training Commission Fund	1,324,468	1,362,409	1,310,393	1,281,707	1,196,827
Petition Audit Revolving Trust Fund	331,865	336,321	234,426	427,704	608,879
Petroleum Inspection Fund	2,984,613	2,564,898	2,499,993	2,457,796	2,066,376
Petroleum Storage Tank Insurance Fund	58,686,673	49,590,136	42,382,355	37,243,220	38,890,913
Petroleum Violation Escrow Fund	2	8,015	422,332	1,535,494	6,434,343
Petroleum Violation Escrow Interest Subaccount Fund	10	4	171,367	441,882	2,730
Pharmacy Rebate Fund	8,879,814	493,140	539,804	12,667,665	1,481,918
Pharmacy Reimbursement Allowance Fund	2,717,297	556,840	963,342	N/A	N/A
Post-Closure Fund	406,212	400,881	143,253	144,622	142,473
Premium Fund	734,063	592,819	321,072	28,033	23,170
Professional and Practical Nursing Student Loan and Nurse Loan Repayment Fund	824,354	552,293	927,965	680,741	987,824
Professional Registration Fees Fund	204,309	273,048	368,765	194,048	485,976
Property Reuse Fund	564,953	1,005,770	1,548,722	3,243,787	4,102,947
Proprietary School Bond Fund	0	0	0	0	0
Public Service Commission Fund	2,978,284	2,665,109	1,593,722	176,944	465,196
Railroad Expense Fund	296,448	97,779	184,897	296,609	31,305
Real Estate Appraisers Fund	899,973	1,047,124	522,942	672,291	371,779
Residential Mortgage Licensing Fund	868,671	735,023	706,443	644,271	674,432
Respiratory Care Practitioners Fund	423,391	373,080	309,633	247,552	213,343
Rural Water and Sewer Loan Revolving Fund	484,951	178,058	34,558	N/A	N/A

Schedule 5

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF
"LIST OF BALANCES IN THE SEVERAL FUNDS"

(UNAUDITED)

	June 30,				
	2005	2004	2003	2002	2001
Safe Drinking Water Fund	2,978,303	3,040,372	3,110,311	3,447,869	3,829,548
School Building Revolving Fund	20	1,597	7,196,768	5,054,893	3,461,475
School District Bond Fund	1	96,074	96,074	1,728,542	8,728,542
School District Trust Fund	60,840,793	55,579,367	55,803,019	50,429,925	48,897,468
School for Blind Trust Fund	46,605	121,860	178,735	55,564	29,455
School for Deaf Trust Fund	549	73,549	73,549	72,452	34,694
Schools of the Future Fund	0	0	3,411,329	N/A	N/A
Second Injury Fund	27,862,916	19,431,797	4,854,698	15,020,514	21,760,262
Secretary of State Institutional Gift Trust Fund	0	0	0	330	261,357
Secretary of State's Investor Education Fund	822,914	338,359	407,547	387,191	232,932
Secretary of State - Federal Fund	117,517	110,184	84,781	30,665	85,389
Secretary of State - Technology Trust Fund Account Fund	2,956,686	2,868,683	3,004,959	3,343,136	3,294,151
Secretary of State Records - Federal Fund	846	209	69	0	0
Senate Revolving Fund	24,947	247	51,141	29,877	56,494
Services to Victims Fund	5,769,475	4,454,606	3,617,498	3,711,936	3,321,516
Single-Purpose Animal Facilities Loan Guarantee Fund	0	0	0	0	0
Single-Purpose Animal Facilities Loan Program Fund	379,026	436,765	504,169	466,473	459,341
Social Security Contributions Fund	109,504	109,504	109,504	110,786	61,784
Soil and Water Sales Tax Fund	22,584,665	20,774,934	18,826,170	20,262,812	20,321,197
Solid Waste Management Fund	14,645,362	12,741,918	13,992,904	12,976,306	13,117,318
Solid Waste Management Fund - Scrap Tire Subaccount Fund	1,413,246	2,471,531	2,690,743	3,819,380	4,149,263
Special Employment Security Fund	3,539,743	3,473,204	3,930,035	4,289,066	6,229,442
Spinal Cord Injury Fund	1,891,190	1,268,187	706,153	144,838	N/A
State Agency for Surplus Property Fund	126,724	244,998	131,476	32,600	504,659
State Auditor - Federal Fund	500,639	567,049	515,639	620,828	593,843
State Board of Accountancy Fund	1,565,261	1,514,382	1,428,605	1,146,997	1,134,471
State Board of Architects, Engineers and Land Surveyors Fund	2,399,146	1,868,772	1,210,253	442,209	469,844
State Board of Chiropractic Examiners' Fund	990,594	594,805	719,455	312,037	478,744
State Board of Cosmetology Fund	2,271,160	3,297,264	965,700	2,142,595	1,024,405
State Board of Nursing Fund	9,822,062	6,635,267	6,796,872	3,755,380	3,983,338
State Board of Podiatry Fund	127,292	152,820	88,220	115,001	75,459
State Committee of Interpreters Fund	64,441	67,270	72,257	63,868	39,883
State Committee of Psychologists Fund	713,552	943,174	613,081	824,367	406,025
State Court Administration Revolving Fund	41,064	15,477	3,997	18,695	15,388
State Document Preservation Fund	2,829	1,650	49,680	33,768	50,684
State Elections Subsidy Fund	4,254,173	198,718	41,304	45,949	7,102
State Emergency Management - Federal and Other Fund	2,825,511	2,561,128	1,727,796	2,373,633	2,456,800
State Employee Voluntary Life Insurance Fund	0	0	0	0	0
State Environmental Improvement and Energy Resources Authority Fund	0	0	0	0	0
State Facility Maintenance and Operation Fund	1,332,657	859,900	949,584	503,999	1,291,599
State Fair Fees Fund	335,619	389,710	264,102	163,380	100,658
State Fair Trust Fund	3,029	4,391	4,658	3,408	1,463
State Forensic Laboratory Fund	132,337	40,815	0	54,905	31,821
State Guaranty Student Loan Fund	0	0	95	0	0
State Highways and Transportation Department Fund	26,663,526	29,750,791	31,087,996	41,661,503	31,064,724
State Institutions Gift Trust Fund	54,492	54,513	54,584	55,033	55,472
State Land Survey Program Fund	1,878,018	1,985,941	1,654,043	1,227,743	1,107,543
State Legal Expense Fund	0	144	0	2,691	1,794
State Lottery Fund	7,332,681	208,989	8,972,633	14,879,585	12,690,947
State Milk Inspection Fee Fund	751,097	435,063	266,619	203,081	203,055
State Park Sales Tax Fund	5,793,592	7,427,205	9,024,355	10,622,811	12,663,374
State Parks Earnings Fund	1,775,450	4,136,569	5,368,682	3,665,341	3,617,061
State Parks Revolving Fund	0	0	0	0	0
State Public School Fund	917,595	32,430	3,975	13,223	64,859
State Retirement Contributions Fund	1,104	15,537	1,722	95,469	8,124,473

Schedule 5

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF
"LIST OF BALANCES IN THE SEVERAL FUNDS"

(UNAUDITED)

	June 30,				
	2005	2004	2003	2002	2001
State Road Fund	319,486,180	389,875,472	362,591,514	329,316,181	253,468,077
State Road Fund - Series A 2000	0	0	0	0	1,529,058
State Road Fund - Series A 2001	0	0	0	0	0
State Road Fund - Series A 2002	0	0	0	206,532,181	N/A
State Road Fund - Series A 2003	0	0	N/A	N/A	N/A
State School Moneys Fund	58,020,066	27,587,763	4,562,586	23,895,756	934,812
State Seminary Fund	1,970	175,938	938	0	1,651
State Seminary Money Fund	9	9	8	8	8
State Transportation Assistance Revolving Fund	563,476	514,243	521,226	259,160	102,818
State Transportation Fund	141,276	273,495	370,234	310,480	145,061
Statewide Court Automation Fund	407,095	65,546	417,174	1,016,171	1,814,858
Statutory County Recorder's Fund	0	0	0	3,093,001	0
Statutory Revision Fund	328,394	311,847	467,146	403,270	386,966
Stormwater Control - Series A 1999 - 37H	0	0	4,104,538	9,092,933	19,399,961
Stormwater Control - Series A 2001 - 37H	8,580,527	10,166,989	10,495,471	10,287,178	10,009,130
Stormwater Control - Series A 2002 - 37H	8,428,105	12,690,682	15,208,725	N/A	N/A
Stormwater Control Bond and Interest - Series A 1999	1,488,444	1,497,202	1,519,401	1,560,343	1,604,148
Stormwater Control Bond and Interest - Series A 2001	731,801	731,619	734,575	745,080	741,514
Stormwater Control Bond and Interest - Series A 2002	1,011,371	1,006,621	992,295	N/A	N/A
Stormwater Control Bond and Interest - Series A 2005	489	N/A	N/A	N/A	N/A
Stormwater Loan Revolving Fund	1,604,688	1,123,783	636,205	N/A	N/A
Student Grant Fund	670,492	12,068	112,260	53,313	414,586
Supreme Court - Federal and Other Fund	7,219,789	5,759,932	5,566,367	3,550,254	5,505,976
Supreme Court Publications Revolving Fund	78,395	58,308	252,541	129,938	59,569
Tattoo Fund	171,142	156,302	115,456	N/A	N/A
Temporary Assistance for Needy Families - Federal Fund	4,397,882	10,737,909	11,490,931	2,529,395	774,573
Third Party Liability Collections Fund	9,362,018	3,597,216	1,946,713	5,289,390	504,633
Third State Building Bond Interest and Sinking - Series A 1992	0	0	0	28,668,075	29,291,962
Third State Building Bond Interest and Sinking - Series A 1993	0	0	16,667,835	16,925,234	15,413,967
Third State Building Bond Interest and Sinking - Series A 2002	34,412,417	35,064,110	31,067,300	N/A	N/A
Third State Building Bond Interest and Sinking - Series A 2003	16,574,738	12,222,612	N/A	N/A	N/A
Third State Building Bond Interest and Sinking - Series A&B 1991	0	0	0	7,135,351	9,200,427
Third State Building Fund - Pre Tax Act 1986	0	0	0	0	0
Third State Building Trust Fund - Pre Tax Act 1986	137	135	132	131	113
Title XIX - Federal Fund	7,783,496	5,661,165	38,237,143	42,623,689	17,400,409
Tort Victims Compensation Fund	15,236	971,092	4,915,174	4,960,576	7,463,188
Tourism Marketing Fund	9,048	8,984	2,273	355	0
Treasurer's General Operations Fund	301,689	N/A	N/A	N/A	N/A
Treasurer's Information Fund	21,251	7,119	8,380	9,775	8,857
U.S. Department of Higher Education / Coordinating Board for Higher Education Interest Account Fund	272,557	1,120,659	1,824,375	2,307,530	2,052,239
U.S. Department of Higher Education / Coordinating Board for Higher Education Recall Account Fund	1	1	1	32,421,670	25,937,336
Uncompensated Care Fund	10,954,644	5,369,908	82,485,906	960,928	1,565,140
Underground Storage Tank Regulation Program Fund	370,093	298,084	266,381	419,669	621,766
Unemployment Compensation Administration Fund	289,168	179,811	168,744	200,747	897,666
Utillcare Stabilization Fund	3	21	20	1,180	22,478
Veterans' Homes Capital Improvement Trust Fund	9,562,853	19,756,755	37,719,826	52,100,054	77,618,885
Veterans Trust Fund	412,562	406,707	408,905	489,567	465,478
Veterinary Medical Board Fund	785,502	764,143	627,825	643,691	583,998
Video Instructional Development and Education Opportunity Fund	0	167	167	37,667	528,876
Vocational Rehabilitation - Federal Fund	4,004,058	9,425,231	5,538,569	6,704,120	3,504,723

Schedule 5

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF
"LIST OF BALANCES IN THE SEVERAL FUNDS"

(UNAUDITED)

	June 30,				
	2005	2004	2003	2002	2001
Water and Waste Water Loan Fund	680,233	1,155,195	1,133,796	660,289	1,927,022
Water and Waste Water Loan Revolving Fund	245,077,481	274,857,960	270,607,303	230,747,665	148,387,528
Water Pollution Control - Series A 1996 - 37C	0	0	0	0	17,141
Water Pollution Control - Series A 1996 - 37E	0	0	0	0	0
Water Pollution Control - Series A 1998 - 37C	0	154,945	2,762,634	5,076,361	6,487,796
Water Pollution Control - Series A 1998 - 37E	0	0	0	1,043,168	12,566,183
Water Pollution Control - Series A 1999 - 37E	0	0	1,573,903	11,312,471	10,899,785
Water Pollution Control - Series A 1999 - 37G	0	0	0	5,459,630	10,385,103
Water Pollution Control - Series A 2001 - 37E	5,471,856	7,864,642	10,247,762	10,279,861	9,994,568
Water Pollution Control - Series A 2001 - 37G	0	417,231	8,286,505	10,294,478	10,023,676
Water Pollution Control - Series A 2002 - 37E	0	4,075,487	13,471,473	N/A	N/A
Water Pollution Control - Series A 2002 - 37G	7,832,083	15,474,409	15,224,444	N/A	N/A
Water Pollution Control Bond and Interest - Series A 1991	0	0	0	0	1,121,495
Water Pollution Control Bond and Interest - Series A 1992	0	0	0	2,701,642	2,769,267
Water Pollution Control Bond and Interest - Series A 1993	0	0	2,142,911	2,178,662	2,228,643
Water Pollution Control Bond and Interest - Series A 1995	0	1,038,520	1,347,843	2,377,283	2,442,358
Water Pollution Control Bond and Interest - Series A 1996	1,176,852	1,439,639	2,591,893	2,754,573	2,840,519
Water Pollution Control Bond and Interest - Series A 1998	2,463,965	2,469,904	2,501,516	2,572,579	2,663,337
Water Pollution Control Bond and Interest - Series A 2000	1,488,444	1,497,202	1,519,401	1,560,343	1,604,148
Water Pollution Control Bond and Interest - Series A 2001	1,463,930	1,463,555	1,469,399	1,485,492	1,483,154
Water Pollution Control Bond and Interest - Series A 2002	2,035,763	2,008,025	1,989,488	N/A	N/A
Water Pollution Control Bond and Interest - Series A 2003	11,197,783	6,070,154	N/A	N/A	N/A
Water Pollution Control Bond and Interest - Series A 2005	1,706	N/A	N/A	N/A	N/A
Water Pollution Control Bond and Interest - Series B 1992	0	0	0	5,095,923	5,118,806
Water Pollution Control Bond and Interest - Series B 1993	0	0	11,239,131	11,386,806	9,584,721
Water Pollution Control Bond and Interest - Series B 2002	16,647,649	12,728,131	8,015,104	N/A	N/A
Water Pollution Control Bond and Interest - Series B&C 1991	0	0	0	3,330,783	4,378,930
Wolfner Library Trust Fund	195,489	184,245	218,365	211,520	204,201
Workers' Compensation Fund	48,125,610	39,635,984	9,585,811	5,946,117	20,643,132
Workers Memorial Fund	8,486	269	264	258	250
Working Capital Revolving Fund	7,337,633	9,891,965	10,126,901	9,299,081	7,826,273
World War II Memorial Trust Fund	65,137	51,182	36,442	22,745	10,649
Total All Funds (Schedule 4)	\$ 2,570,510,799	2,882,494,982	2,771,340,651	2,905,024,889	2,936,493,487

N/A These funds were closed or had not been created for the years indicated.

N/A-1 The assets of the Pansey Johnson-Travis Stocks and Securities Trust Fund were reclassified from cash to investments as a result of a change in the state's accounting system. This fund is no longer maintained by the State Treasurer on the cash activity reports.

The accompanying Notes to the Supplementary Information are an integral part of this statement.

Schedule 6

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF TRUST ACCOUNTS

		June 30,									
		2005		2004		2003		2002		2001	
		Balance	Amount Invested	Balance	Amount Invested	Balance	Amount Invested	Balance	Amount Invested	Balance	Amount Invested
220 South Jefferson	\$										
Construction Fund		N/A	N/A	0	0	0	0	101,366	101,253	17,786	17,785
Board of Public Buildings 2001A											
Cost of Issuance Fund		N/A	N/A	0	0	0	0	25,200	25,172	24,555	24,554
Principal and Interest Fund		N/A	N/A	0	0	0	0	4,662	4,657	1,014,494	1,014,479
Capitol East Parking Facility											
Operating Reserve Fund		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0	0
Corrections and Mental Health											
Construction Fund		N/A	N/A	0	0	0	0	148,935	148,769	145,139	145,137
Department of Natural Resources Building											
Construction Fund		279,617	279,617	6,648,730	6,645,771	17,776,780	17,769,801	18,454,428	18,433,828	17,994,647	17,994,386
Jefferson City Correctional Center											
Construction Fund		4,255,013	4,255,013	15,451,872	15,444,995	59,530,681	59,507,313	121,629,975	121,494,208	127,257,402	127,255,554
Kirkpatrick State Information Center											
Construction Fund		N/A	N/A	0	0	0	0	49,647	49,591	48,381	48,381
Old Age, Survivors, Disability, and											
Health Insurance Trust Fund		12,690,878	0	12,315,726	0	3,741	0	4,068	0	16,757	0
Special Obligation Refunding Bond -											
Principal and Interest Fund		N/A	N/A	N/A	N/A	N/A	N/A	0	0	408,707	408,701
Depreciation and Replacement Fund		1,024,010	1,024,010	1,012,197	1,011,747	1,019,704	1,019,303	1,058,884	1,057,702	7,412,060	7,411,952
Bond Reserve Fund		N/A	N/A	N/A	N/A	N/A	N/A	0	0	105,889	105,888
State Building Special Obligation Bond 1988											
Arbitrage Rebate Escrow Fund		N/A	N/A	0	0	0	0	138,122	137,968	134,602	134,600
Arbitrage Owed to IRS Escrow		N/A	N/A	0	0	0	0	8,750	8,740	8,527	8,527
Western Missouri Mental Health Center											
Construction Fund		135,654	135,654	332,085	331,937	5,634,743	5,632,531	20,316,913	20,294,234	21,350,433	21,350,123
Total Trust Accounts (Schedule 4)	\$	18,385,172	5,694,294	35,760,610	23,434,450	83,965,649	83,928,948	161,940,950	161,756,122	175,939,379	175,920,067

N/A These accounts were closed for the indicated fiscal years.

The accompanying Notes to the Supplementary Information are an integral part of this statement.

Schedule 7

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF INTEREST RECEIVED ON POOLED INVESTMENTS
AND DISTRIBUTION BY FUND

	Year Ended June 30,				
	2005	2004	2003	2002	2001
INTEREST RECEIPTS					
General and special funds	\$ 38,422,115	31,319,021	42,302,336	63,208,154	104,034,439
Debt retirement funds	1,828,999	1,684,923	2,320,783	4,176,019	6,938,831
Total Appropriated Funds	40,251,114	33,003,944	44,623,119	67,384,173	110,973,270
Trust funds	273,652	754,646	2,290,124	4,444,474	1,657,889
Total Interest Receipts	\$ 40,524,766	33,758,590	46,913,243	71,828,647	112,631,159
INTEREST DISTRIBUTION					
General and special funds:					
General Revenue Fund	\$ 18,557,423	15,913,251	20,944,567	37,890,915	56,485,522
Budget Reserve Fund	7,152,761	6,556,307	8,410,650	13,533,611	8,498,480
Budget Stabilization Fund	N/A	N/A	N/A	N/A	7,185,122
Cash Operating Reserve - General Revenue Fund	N/A	N/A	N/A	N/A	3,671,128
Abandoned Mine Reclamation Fund	15,770	17,078	23,622	34,037	43,212
Agricultural Product Utilization and Business Development					
Loan Guarantee Fund	1	4	N/A	N/A	N/A
Agricultural Product Utilization Business Development					
Loan Guarantee Fund	0	0	0	1	42
Agricultural Product Utilization Grant Fund	0	3	538	2,814	13,983
Agriculture Development Fund	865	874	1,396	1,639	2,481
ALS Lou Gehrig's Disease Fund	20	N/A	N/A	N/A	N/A
Alternative Care Trust Fund	74,610	54,936	74,005	85,106	120,348
American Cancer Society Fund	33	N/A	N/A	N/A	N/A
American Diabetes Association Fund	23	N/A	N/A	N/A	N/A
American Heart Association Fund	22	N/A	N/A	N/A	N/A
American Lung Association of Missouri Fund	19	N/A	N/A	N/A	N/A
Animal Health Laboratory Fee Fund	4,517	2,709	5,115	9,997	15,295
Antiterrorism Fund	43	3	N/A	N/A	N/A
Arrow Rock State Historic Site Fund	482	382	312	N/A	N/A
Arthritis Foundation Fund	18	N/A	N/A	N/A	N/A
Assistive Technology Loan Revolving Fund	43,478	25,420	24,843	29,296	4,704
Aviation Trust Fund	110,196	43,570	125,754	307,954	413,236
Basic Civil Legal Services Fund	4,041	1,901	N/A	N/A	N/A
Bingo Proceeds for Education Fund	94,351	86,838	143,210	227,365	398,335
Biodiesel Fuel Revolving Fund	2,777	830	39	N/A	N/A
BPB-Series A 2003 Bond Proceeds-Projects Fund	1,786,985	2,721,905	226,041	N/A	N/A
BPB-Series A 2003 Bond Proceeds-Notes Fund	761	15,961	24,360	N/A	N/A
Champ W. Smith & Mary C. Smith Memorial					
Endowment Trust Fund	8,020	6,588	10,120	15,588	24,679
Chemical Emergency Preparedness Fund	9,167	7,800	9,358	18,532	33,753
Children's Trust Fund	70,656	57,444	89,140	160,076	269,732
Coal Mine Land Reclamation Fund	15,857	13,474	20,091	32,861	52,498
Concentrated Animal Feeding Operation Indemnity Fund	6,195	3,914	4,766	5,909	7,719
Confederate Memorial Park Fund	3,008	2,390	3,361	4,891	7,508
Conservation Commission Fund	764,890	587,937	740,556	899,665	1,835,420
Correctional Substance Abuse Earnings Fund	10,493	6,634	7,227	7,192	6,499
Crime Victims' Compensation Fund	164,317	132,074	180,673	297,949	504,776
Deaf Relay Service Fund	64,953	74,072	149,181	278,673	445,269
Debt Offset Escrow Fund	171,869	140,865	449,181	648,907	694,473
Department of Insurance Dedicated Fund	161,805	148,073	282,629	379,687	573,653
Department of Labor and Industrial Relations -					
Administrative Fund	32,762	21,811	51,084	92,489	81,798
Department of Public Safety - JAIBG Fund	80,911	95,996	163,821	217,438	410,141

Schedule 7

OFFICE OF STATE TREASURER
COMPARATIVE STATEMENT OF INTEREST RECEIVED ON POOLED INVESTMENTS
AND DISTRIBUTION BY FUND

	Year Ended June 30,				
	2005	2004	2003	2002	2001
Division of Credit Unions Fund	9,004	6,397	11,108	20,917	32,580
Division of Finance Fund	40,533	27,945	36,178	68,747	149,242
Division of Savings and Loan Supervision Fund	2,052	2,299	2,377	2,103	2,736
Doctor Edmund A. Babler Memorial - State Park Fund	16,035	13,112	19,206	31,889	55,850
Dry-Cleaning Environmental Response Trust Fund	47,230	27,883	24,160	11,485	1,190
Early Childhood Development, Education and Care Fund	172,791	169,001	713,560	1,668,336	2,544,431
Election Administration Improvement Fund	1,133,088	260,504	8,993	N/A	N/A
Election Improvement Revolving Loan Fund	128	N/A	N/A	N/A	N/A
Endowed Care Cemetery Audit Fund	6,893	4,919	6,956	8,383	13,403
Energy Set-Aside Program Fund	361,816	349,967	551,680	748,130	793,938
Escheats Fund	157	793	95,208	242,347	370,242
Excellence in Education Fund	35,711	27,075	33,818	42,283	66,740
Facilities Maintenance Reserve Fund	779,996	30,610	157,866	1,013,785	2,082,512
Federal Drug Seizure Fund	33,744	18,348	36,678	103,164	234,053
Federal Reimbursement Allowance Fund	496,057	480,446	471,687	934,398	1,971,467
Federal Student Loan Reserve Fund	319,562	366,267	559,749	1,016,326	2,026,473
Federal Surplus Property Fund	43,826	34,608	43,946	62,970	102,018
Fire Education Fund	922	N/A	N/A	N/A	N/A
Fourth State Building - Series A 1998	145,929	155,788	231,247	556,053	1,215,143
Gaming Commission Bingo Fund	N/A	N/A	N/A	N/A	1,221
Gaming Commission Fund	135,772	89,704	138,005	208,264	454,173
Gaming Proceeds for Education Fund	257,782	186,245	268,065	376,332	516,975
GEAR-UP Scholarship Fund	73,130	38,780	31,221	6,930	N/A
Grain Inspection Fees Fund	11,836	9,188	12,387	15,424	26,362
Guaranty Agency Operating Fund	375,151	217,403	208,123	281,392	496,423
Hazardous Waste Fund	19,860	15,180	25,510	37,830	53,787
Hazardous Waste Remedial Fund	61,384	54,879	73,214	103,944	191,943
Historic Preservation Revolving Fund	18,288	14,805	26,117	46,654	36,726
Kid's Chance Scholarship Fund	6,388	4,110	4,260	4,737	4,517
Legal Defense and Defender Fund	10,358	6,540	7,593	10,121	23,044
Legal Services for Low Income People Fund	721	2,681	15,551	2,450	N/A
Library Networking Fund	6,934	3,265	3,645	7,660	38,340
Livestock Dealer Law Enforcement and Administration Fund	5	4	9	37	287
March of Dimes Fund	20	N/A	N/A	N/A	N/A
Mental Health Earnings Fund	6,618	5,332	13,698	27,570	45,890
Mental Health Housing Trust Fund	102	83	121	176	270
Mental Health Trust Fund	141,556	111,855	147,160	181,740	302,079
Meramec-Onondaga State Parks Fund	22,403	18,156	25,970	38,567	60,295
Metallic Minerals Waste Management Fund	2,148	2,179	3,877	7,553	12,329
Mined Land Reclamation Fund	60,890	56,274	90,151	141,946	233,742
Missouri Air Emission Reduction Fund	72,530	51,047	61,492	69,458	47,568
Missouri Air Pollution Control Fund	1,670	1,817	2,158	4,156	40,029
Missouri Alternative Fuel Vehicle Loan Fund	67	1,619	6,237	26	N/A
Missouri Arts Council Trust Fund	134,152	160,226	253,853	382,844	721,500
Missouri Breeders Fund	1,802	1,431	2,013	2,932	4,583
Missouri CASA Fund	956	815	1,556	336	N/A
Missouri Children's Service Commission Fund	54	233	414	627	1,016
Missouri College Guarantee Fund	49,217	31,267	40,739	139,190	521,411
Missouri Housing Trust Fund	60,626	61,156	72,666	104,443	144,045
Missouri Humanities Council Trust Fund	40,333	32,046	44,963	59,225	71,314
Missouri Lead Abatement Loan Fund	5,942	4,718	3,965	N/A	N/A

Schedule 7

OFFICE OF STATE TREASURER
 COMPARATIVE STATEMENT OF INTEREST RECEIVED ON POOLED INVESTMENTS
 AND DISTRIBUTION BY FUND

	Year Ended June 30,				
	2005	2004	2003	2002	2001
Missouri National Guard Trust Fund	91,918	55,684	95,484	155,327	256,369
Missouri Office of Prosecution Services Fund	9,159	5,579	4,454	2,568	3,935
Missouri Prospective Teachers Loan Fund	479	385	2,049	3,851	N/A
Missouri Senior Rx Fund	81,799	73,463	297,956	2,492	N/A
Missouri Veterans Homes Fund	40,083	42,249	41,051	53,537	78,750
Motor Fuel Tax Fund	483,274	354,234	422,880	947,280	1,446,659
Muscular Dystrophy Association Fund	20	N/A	N/A	N/A	N/A
National Multiple Sclerosis Society Fund	24	N/A	N/A	N/A	N/A
Natural Resources Protection Fund	31,822	21,772	14,819	21,787	34,067
Natural Resources Protection Fund - Air Pollution Asbestos Fee Subaccount Fund	11,017	11,449	20,506	34,412	66,463
Natural Resources Protection Fund - Air Pollution Permit Fee Subaccount Fund	163,697	136,485	217,541	402,454	723,396
Natural Resources Protection Fund - Water Pollution Permit Fee Subaccount Fund	272,024	203,528	299,203	449,147	603,981
Nursing Facility Federal Reimbursement Allowance Fund	194,324	154,866	187,063	244,640	425,618
Nursing Facility Quality of Care Fund	31,618	36,461	52,026	86,632	138,287
Outstanding Schools Trust Fund	82,492	68,202	690,245	4,236,051	11,922,416
Pansey Johnson-Travis Memorial State Gardens Trust Fund	1,507	1,652	1,759	606	1,574
Peace Officers Standards and Training Commission Fund	19,800	17,865	23,746	27,559	51,502
Petroleum Inspection Fund	60,930	46,573	64,033	88,789	138,571
Petroleum Storage Tank Insurance Fund	1,137,666	783,608	977,800	1,459,919	2,654,173
Petroleum Violation Escrow Fund	346	4,432	26,423	265,764	1,153,353
Petroleum Violation Escrow Interest Subaccount Fund	57	2,422	8,912	14,785	N/A
Pharmacy Reimbursement Allowance Fund	243,923	133,687	88,723	N/A	N/A
Post-Closure Fund	8,481	4,847	3,544	5,344	9,895
Property Reuse Fund	14,460	23,805	46,101	142,276	231,002
Residential Mortgage Licensing Fund	16,997	12,544	17,423	26,463	37,204
Rural Water and Sewer Loan Revolving Fund	5,404	1,429	6	N/A	N/A
Safe Drinking Water Fund	69,511	57,187	91,586	148,727	245,459
School Building Revolving Fund	8,443	48,504	149,274	139,197	96,233
School District Trust Fund	1,175,396	901,178	1,247,330	1,872,649	2,969,719
Schools of the Future Fund	0	25,747	497,302	N/A	N/A
Second Injury Fund	571,438	204,847	290,316	781,918	1,120,103
Secretary of State Institutional Gift Trust Fund	0	0	157	7,680	25,035
Secretary of State's Investor Education Fund	126,402	N/A	N/A	N/A	N/A
Secretary of State - Technology Trust Fund Account Fund	60,001	50,961	77,177	124,363	202,991
Single-Purpose Animal Facilities Loan Guarantee Fund	0	0	0	0	0
Single-Purpose Animal Facilities Loan Program Fund	8,694	8,243	12,008	17,297	24,508
Soil and Water Sales Tax Fund	523,493	381,281	543,982	839,925	1,108,203
State Document Preservation Fund	112	649	768	1,356	2,618
State Fair Fees Fund	6,943	5,055	4,625	7,083	10,546
State Highways and Transportation Department Fund	1,044,248	895,518	1,339,765	1,829,289	2,134,368
State Lottery Fund	273,635	224,722	345,258	677,913	1,315,167
State Park Sales Tax Fund	163,266	164,954	273,934	483,530	938,113
State Public School Fund	0	7	428,988	N/A	N/A
State Road Fund	7,815,491	4,619,791	8,499,258	7,146,017	5,406,237
State Road Fund - Series A 2000	0	0	0	2,758	5,559,632
State Road Fund - Series A 2001	0	0	0	662,661	N/A

Schedule 7

OFFICE OF STATE TREASURER
 COMPARATIVE STATEMENT OF INTEREST RECEIVED ON POOLED INVESTMENTS
 AND DISTRIBUTION BY FUND

	Year Ended June 30,				
	2005	2004	2003	2002	2001
State Road Fund - Series A 2002	0	0	421,966	60,332	N/A
State Road Fund - Series A 2003	0	876,167	N/A	N/A	N/A
State School Moneys Fund	379,692	221,094	475,671	N/A	N/A
State Seminary Money Fund	141,231	190,380	209,267	N/A	N/A
State Transportation Assistance Revolving Fund	11,165	9,846	8,692	8,930	32,603
Stormwater Control - Series A 1999 - 37H	0	38,447	169,851	664,794	1,263,401
Stormwater Control - Series A 2001 - 37H	171,885	176,518	208,293	278,048	264
Stormwater Control - Series A 2002 - 37H	196,035	244,442	174,417	N/A	N/A
Stormwater Loan Revolving Fund	21,996	11,730	116	N/A	N/A
Third State Building Fund - Pre Tax Act 1986	N/A	N/A	N/A	N/A	18,160
Third State Building Trust Fund - Pre Tax Act 1986	3	3	0	N/A	N/A
Treasurer's General Operations Fund	301,689	N/A	N/A	N/A	N/A
U.S. Department of Higher Education / Coordinating Board for Higher Education Interest Account Fund	17,989	29,675	329,395	1,097,593	1,315,570
Utilicare Stabilization Fund	0	2	539	6,089	14,681
Veterans' Homes Capital Improvement Trust Fund	373,170	571,883	1,214,113	2,776,797	4,929,627
Veterans Trust Fund	8,322	6,711	11,075	17,036	25,965
Water and Waste Water Loan Fund	25,900	29,782	30,826	64,253	100,155
Water and Waste Water Loan Revolving Fund	4,499,349	4,253,465	4,577,087	6,175,490	9,285,088
Water Pollution Control - Series A 1996 - 37C	N/A	N/A	N/A	N/A	17,337
Water Pollution Control - Series A 1996 - 37E	N/A	N/A	N/A	N/A	692
Water Pollution Control - Series A 1998 - 37C	1,319	31,641	94,155	235,795	503,606
Water Pollution Control - Series A 1998 - 37E	0	0	18,185	376,239	1,330,702
Water Pollution Control - Series A 1999 - 37E	0	9,041	197,575	412,686	647,581
Water Pollution Control - Series A 1999 - 37G	0	0	74,166	351,272	646,705
Water Pollution Control - Series A 2001 - 37E	115,937	148,437	207,561	285,293	475
Water Pollution Control - Series A 2001 - 37G	8,175	98,061	209,998	270,802	53
Water Pollution Control - Series A 2002 - 37E	46,294	190,329	172,601	N/A	N/A
Water Pollution Control - Series A 2002 - 37G	225,370	249,965	174,588	N/A	N/A
Wolfner Library Trust Fund	4,040	3,727	5,257	7,850	15,742
Workers' Compensation Fund	940,081	154,312	100,581	618,767	1,723,560
Workers Memorial Fund	30	4	7	8	0
World War II Memorial Trust Fund	1,204	701	656	477	154
Total General and Special Funds	<u>38,422,115</u>	<u>31,319,021</u>	<u>42,302,336</u>	<u>63,208,154</u>	<u>104,034,439</u>
Debt retirement funds:					
Fourth State Building Bond and Interest - Series A 1995	27,631	54,969	114,298	225,429	381,556
Fourth State Building Bond and Interest - Series A 1996	75,461	104,328	195,237	373,351	637,840
Fourth State Building Bond and Interest - Series A 1998	59,446	58,287	73,897	141,941	242,752
Fourth State Building Bond and Interest - Series A 2002	138,209	124,673	89,835	N/A	N/A
Fourth State Building Bond and Interest - Series A 2005	2,568	N/A	N/A	N/A	N/A
Stormwater Control Bond and Interest- Series A 1999	25,192	24,901	31,450	59,602	97,635
Stormwater Control Bond and Interest- Series A 2001	12,581	11,999	14,955	20,660	42
Stormwater Control Bond and Interest - Series A 2002	17,333	16,408	11,432	N/A	N/A
Stormwater Control Bond and Interest -					

Schedule 7

OFFICE OF STATE TREASURER
 COMPARATIVE STATEMENT OF INTEREST RECEIVED ON POOLED INVESTMENTS
 AND DISTRIBUTION BY FUND

	Year Ended June 30,				
	2005	2004	2003	2002	2001
Series A 2005	489	N/A	N/A	N/A	N/A
Third State Building Bond Interest and Sinking - Series A 1992	0	0	241,569	1,087,655	1,839,931
Third State Building Bond Interest and Sinking - Series A 1993	0	63,753	340,258	614,104	1,007,339
Third State Building Bond Interest and Sinking - Series A 2002	599,567	554,360	418,881	N/A	N/A
Third State Building Bond Interest and Sinking - Series A 2003	267,025	167,936	N/A	N/A	N/A
Third State Building Bond Interest and Sinking - Series A&B 1991	0	0	56,735	315,069	547,936
Water Pollution Control Bond and Interest - Series A 1991	0	0	0	7,717	72,971
Water Pollution Control Bond and Interest - Series A 1992	0	0	22,871	102,279	173,496
Water Pollution Control Bond and Interest - Series A 1993	0	3,579	43,745	82,412	139,759
Water Pollution Control Bond and Interest - Series A 1995	11,079	22,020	45,717	90,100	152,831
Water Pollution Control Bond and Interest - Series A 1996	21,140	29,208	54,691	104,513	178,303
Water Pollution Control Bond and Interest - Series A 1998	41,583	40,760	51,792	99,373	169,973
Water Pollution Control Bond and Interest - Series A 2000	25,192	24,901	31,450	59,602	97,635
Water Pollution Control Bond and Interest - Series A 2001	25,168	23,992	29,837	41,530	84
Water Pollution Control Bond and Interest - Series A 2002	42,819	32,731	22,894	N/A	N/A
Water Pollution Control Bond and Interest - Series A 2003	171,033	94,641	N/A	N/A	N/A
Water Pollution Control Bond and Interest - Series A 2005	1,706	N/A	N/A	N/A	N/A
Water Pollution Control Bond and Interest - Series B 1992	0	0	43,336	200,753	324,285
Water Pollution Control Bond and Interest - Series B 1993	0	42,943	229,098	400,429	611,952
Water Pollution Control Bond and Interest - Series B 2002	263,777	188,534	130,292	N/A	N/A
Water Pollution Control Bond and Interest - Series B&C 1991	0	0	26,513	149,500	262,511
Total Debt Retirement Funds	1,828,999	1,684,923	2,320,783	4,176,019	6,938,831
Total Appropriated Funds	40,251,114	33,003,944	44,623,119	67,384,173	110,973,270
Trust funds:					
220 South Jefferson					
Construction Fund	0	0	1,222	1,447	17,786
Board of Public Buildings 2001A					
Cost of Issuance Fund	0	0	304	645	479
Principal and Interest Fund	0	0	69	14,297	7,931
Capitol East Parking Facility Depreciation and Capitol East Parking Facility Operating Reserve Fund	N/A	N/A	N/A	N/A	145

Schedule 7

OFFICE OF STATE TREASURER
 COMPARATIVE STATEMENT OF INTEREST RECEIVED ON POOLED INVESTMENTS
 AND DISTRIBUTION BY FUND

	Year Ended June 30,				
	2005	2004	2003	2002	2001
Corrections and Mental Health Construction Fund	0	0	1,797	3,796	8,099
Department of Natural Resources Building					
Construction Fund	60,184	180,158	316,633	470,497	84,648
Jefferson City Correctional Center					
Construction Fund	185,042	512,425	1,677,453	3,287,211	597,402
Kirkpatrick State Information Center Construction Fund	0	0	599	1,265	2,700
Special Obligation Refunding Bond -					
Bond Reserve Fund	0	0	0	720	5,923
Special Obligation Refunding Bond -					
Depreciation and Replacement Fund	24,010	12,197	19,704	111,842	414,396
Special Obligation Refunding Bond -					
Principal and Interest Fund	0	0	0	1,369	409,960
State Building Special Obligation Bond 1988					
Arbitrage Rebate Escrow Fund	0	0	1,667	3,520	7,511
Arbitrage Owed to IRS Escrow	0	0	106	223	476
Western Missouri Mental Health Center					
Construction Fund	4,416	49,866	270,570	547,642	100,433
Total Trust Funds	273,652	754,646	2,290,124	4,444,474	1,657,889
Total Distribution	<u>\$ 40,524,766</u>	<u>33,758,590</u>	<u>46,913,243</u>	<u>71,828,647</u>	<u>112,631,159</u>

N/A These funds did not receive interest for the years indicated due to the fund not being established at the time, or due to the lack of legislation that would require the interest to remain in the fund.

The accompanying Notes to the Supplementary Information are an integral part of this statement.

Schedule 8

OFFICE OF STATE TREASURER
ANALYSIS OF INVESTMENTS
APPROPRIATED FUNDS

	Year Ended June 30,									
	2005		2004		2003		2002		2001	
	Average Daily Balances	Investment Earnings	Average Daily Balances	Investment Earnings	Average Daily Balances	Investment Earnings	Average Daily Balances	Investment Earnings	Average Daily Balances	Investment Earnings
INVESTMENTS										
Pooled Investments:										
Time deposits	\$ 407,044,627	6,397,473	350,436,069	4,068,260	341,494,579	7,801,288	408,273,116	21,895,420	502,012,599	26,056,824
U.S. government securities, commercial paper, and repurchase agreements	2,476,871,015	51,889,170	2,617,267,155	44,436,494	2,383,178,899	56,651,358	2,522,221,206	83,379,668	2,318,385,855	141,401,968
Total Pooled Investments	2,883,915,642	58,286,643	2,967,703,224	48,504,754	2,724,673,478	64,452,646	2,930,494,322	105,275,088	2,820,398,454	167,458,792
Special Fund Direct Investments:										
U.S. government securities	22,077,036	379,692	19,628,170	221,094	17,376,642	475,671	17,376,642	837,121	16,500,809	826,368
Donated corporate stock	5,130	624	5,130	624	5,130	624	5,130	624	5,130	624
Total Special Fund Direct Investments	22,082,166	380,316	19,633,300	221,718	17,381,772	476,295	17,381,772	837,745	16,505,939	826,992
Total Invested Balance	\$ 2,905,997,808	58,666,959	2,987,336,524	48,726,472	2,742,055,250	64,928,941	2,947,876,094	106,112,833	2,836,904,393	168,285,784
Total fund balance excluding collection, concentration, and restricted balance accounts	\$ 2,810,460,730		2,883,043,397		2,635,564,471		2,854,064,765		2,680,383,903	
Collection and concentration accounts	3,573,829		3,522,411		3,446,569		3,468,538		558,047	
Restricted balance accounts	36,947,720		96,087,123		72,299,548		33,314,055		19,112,493	
Total Fund Balance Including Collection, Concentration, and Restricted Balance Accounts	\$ 2,850,982,279		2,982,652,931		2,711,310,588		2,890,847,358		2,700,054,443	
PERCENTAGE OF FUND BALANCE IN INVESTMENTS										
Excluding collection, concentration, and restricted balance accounts	103.40%		103.62%		104.04%		103.29%		105.84%	
Including collection, concentration, and restricted balance accounts	101.93%		100.16%		101.13%		101.97%		105.07%	
INVESTMENT YIELD										
Time deposits		1.57%		1.16%		2.28%		5.36%		5.19%
U.S. government securities, commercial paper, and repurchase agreements		2.09%		1.69%		2.38%		3.32%		6.09%
Donated corporate stock investments		12.16%		12.16%		12.16%		12.16%		12.16%
Average investment yield		2.02%		1.63%		2.37%		3.60%		5.93%

The accompanying Notes to the Supplementary Information are an integral part of this statement.

Notes to the Supplementary Information

OFFICE OF STATE TREASURER
NOTES TO THE SUPPLEMENTARY INFORMATION

1. General Capital Assets

General capital assets are recorded at cost and are depreciated on a straight-line basis using various useful life classifications and a salvage value of zero. Accumulated depreciation on general capital assets at June 30, 2005 was \$693,540.

2. Basis of Presentation

The amounts presented in Schedules 4 through 8 represent all funds in the state treasury and all trust funds in the custody of the State Treasurer.

State treasury funds are subject to appropriation; trust funds are not. The schedules do not include any funds or investments that are not in the custody of the State Treasurer.

3. Cash and Investments

Article IV, Section 15 of the Missouri Constitution establishes the State Treasurer as custodian of all state funds and funds received from the U.S. government. This section further authorizes the State Treasurer to place all such monies on time deposit, bearing interest, in Missouri banking institutions selected by the State Treasurer and approved by the Governor and the State Auditor, or in obligations of the U.S. government or any agency or instrumentality thereof maturing or becoming payable not more than five years from the date of purchase. In addition, the State Treasurer may enter into repurchase agreements maturing and becoming payable within ninety days secured by U.S. Treasury obligations or obligations of U.S. government agencies or instrumentalities of any maturity, as provided by law. The State Treasurer may also invest in banker's acceptances issued by domestic commercial banks possessing the highest rating issued by a nationally recognized rating agency and in commercial paper, issued by domestic corporations, which has received the highest rating issued by a nationally recognized rating agency. Investments in banker's acceptances and commercial paper shall mature and become payable not more than ninety days from the date of purchase, maintain the highest rating throughout the duration of the investment and meet any other requirements provided by law. The State Treasurer shall prepare, maintain, and adhere to a written investment policy which shall include an asset allocation plan limiting the total amount of state money which may be invested in each investment category authorized by law.

Deposits

The State Treasurer maintains approximately 681 bank accounts throughout the state. These accounts include time deposits, collection accounts which are demand deposit accounts for various state agencies, and the state's primary operating accounts which are also demand deposit accounts. Cash balances in the state's operating accounts which are not needed for immediate use are invested.

The State Treasurer's deposits at June 30, 2005, were entirely covered by federal depository insurance or by collateral securities held by the custodial banks in the State Treasurer's name.

To protect the safety of state deposits, Sections 30.270 and 110.020, RSMo, require depositories to pledge collateral securities to secure deposits not insured by the Federal Deposit Insurance Corporation.

Investments

The State Treasurer's investments at June 30, 2005, are listed by type below to give an indication of the level of risk assumed by the state at year end. All investments are insured or registered, or have collateral held by the State Treasurer or a custodial bank in the state's name.

	Reported Amount	Fair Value
Repurchase agreements	\$ 262,184,294	262,184,294
U.S. government securities	1,539,637,260	1,535,241,900
Commercial paper	511,579,780	511,445,682
Other investments	5,130	48,605
Total Investments	\$ 2,313,406,464	2,308,920,481

Investments are recorded at acquisition cost except "other" investments which are recorded at par. Investments in repurchase agreements are acquired at face value and earn a stated interest rate. Investments in U.S. government securities are acquired at fair value and mature at face value.

4. Demand Deposit and Collection Accounts

The demand deposits with US Bank on Schedule 4 consist of four central demand accounts at June 30, 2005, twenty-three at June 30, 2004, twenty-two at June 30, 2003 and 2002, and twenty-three at June 30, 2001. The demand deposits with Central bank consist of thirty-three central demand accounts at June 30, 2005, fourteen at June 30, 2004, thirteen at June 30, 2003, fourteen at June 30, 2002, and twelve at June 30, 2001. The demand deposits with Premier Bank consist of two central demand accounts at June 30, 2005, 2004, 2003, 2002, and 2001. The demand deposits with Bank of New York Midwest consist of two central demand accounts at June 30, 2005. Demand deposit bank balances were \$418,917, \$20,388,987, \$11,072,902, \$15,131,904, and \$31,142,804 at June 30, 2005, 2004, 2003, 2002, and 2001 for US Bank and \$11,720,611, \$77,114,881, \$85,274,839, \$73,227,111, and \$19,826,746 at June 30, 2005, 2004, 2003, 2002, and 2001 for Central Bank, \$71,568, \$58,800, \$17,018, \$43,463, and \$23,729 at June 30, 2005, 2004, 2003, 2002, and 2001 for Premier Bank and \$0 at June 30, 2005 for Bank of New York Midwest.

The collection bank accounts on Schedule 4 consist of three master concentration accounts and their related collection accounts at various banks throughout the state. The General Concentration and Conservation Concentration Accounts were at Central Bank at June 30, 2005, 2004, 2003, 2002, and 2001. The Lottery Concentration Account was at Central Bank at June 30, 2005 and at US Bank at June 30, 2004, 2003, 2002, and 2001. Collection account bank balances were approximately \$6,038,641, \$4,889,141, \$4,420,803, \$4,818,162, and \$985,789 at June 30, 2005, 2004, 2003, 2002, and 2001.

Banking service agreements on the central demand accounts allow the State Treasurer to invest outstanding checks up until the checks clear the bank, thereby investing an amount in excess of book balances. The negative balances at June 30 (Schedule 4) for the appropriated funds demand deposits represent the book balance net of amounts invested.

5. Special Fund Dedicated Investments

Due to a change in the state's accounting system, as of July 1, 1999, the State Treasurer was assigned the authority for recording direct investments of special funds in the accounting system. The amounts presented as special fund dedicated investments in the appropriated funds on Schedule 4 represent specific investments made or held by the State Treasurer on behalf of the Pansey Johnson-Travis Memorial State Gardens Trust Fund and the State Public School Fund. The State Treasurer is responsible for purchasing, custodial, income collection, and distribution, and record-keeping duties related to the investments of these funds.

The investments of the Pansey Johnson-Travis Memorial State Gardens Trust Fund are maintained in the instruments which were transferred to the State Treasurer from the previous trustee of the fund. The investment purchases for the State Public School Fund are made in accordance with the instructions of the State Public School Fund investment committee.

Prior to July 1, 1999, the investments of the Pansey Johnson-Travis Memorial State Gardens were recorded as a cash asset in the state's accounting system. Prior to July 1, 1999, the investments of the Public School Fund were not recorded in the state's accounting system.

6. Investments of Other Agencies

Schedules 7 and 8 do not include those funds which are invested directly by other agencies; e.g., the Agricultural Development Fund, the Department of Revenue non-state(local) funds, and the State Seminary Fund. The State Treasurer does not have investment authority for these funds and is not responsible for the efficiency of the investment of these funds or for the collection and distribution of the interest income.

7. Amount and Yield on Investment Earnings

The amount and yield on investment earnings on Schedule 8 are presented on a cash basis. However, approximate accrued amounts were \$16,680,078, \$8,893,101, \$11,739,870, \$14,738,819, and \$29,198,570 at June 30, 2005, 2004, 2003, 2002, and 2001 respectively,

giving approximate yield rates of 2.29 percent, 1.61 percent, 2.18 percent, 3.11 percent and 5.61 percent for the same corresponding periods on an accrual basis.

MANAGEMENT ADVISORY REPORT SECTION

Management Advisory Report -
State Auditor's Findings

OFFICE OF STATE TREASURER
MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

We have audited the financial statements of the Office of State Treasurer (STO) as of and for the year ended June 30, 2005, and have issued our report thereon dated May 10, 2006. The following Management Advisory Report presents our finding arising from our audit of the office's financial statements.

Inadequate Reconciliations

The Office of State Treasurer-Internal Audit Section does not perform adequate reconciliations of the unclaimed property receipts and disbursements recorded in the Wagers system and the Statewide Advantage System for Missouri (SAM II). Because differences were not investigated by the STO, errors were not detected and amounts calculated for the state's Comprehensive Annual Financial Report (CAFR) were not correct.

In addition to SAM II, the STO utilizes the Wagers computer software system to maintain the unclaimed property records. The STO-Internal Audit Section performs monthly reconciliations between the Wagers system records and SAM II of unclaimed property turned over to the STO and/or distributed to the appropriate owners. Total undistributed property from the Wagers system is used to determine the liability amount for the state's CAFR. Governmental Accounting Standards Board Statement Number 21 (GASB 21) requires a fund liability be reported to the extent that it is probable that abandoned property will be reclaimed and paid to claimants.

Our review of the reconciliations and GASB 21 liability calculation for the CAFR for the fiscal year ended June 30, 2005, disclosed a difference between receipts recorded in SAM II and the Wagers system on the May 2005 reconciliation. The Wagers system reported receipts totaling \$7,890,535, while SAM II reported receipts of \$1,531,299, resulting in a difference of \$6,359,236. The internal auditors did not investigate the difference until after we questioned them about it. Initially, the internal auditors indicated it was a timing difference. After further review, the internal auditors determined it was an entry error due to a change in the way outlawed checks were recorded when changes were made to the Wagers system. The error in the Wagers system was not corrected until September 2005.

The \$6.3 million error caused total receipts to be overstated in the Wagers system which resulted in the GASB 21 liability calculation to be incorrect. For the fiscal year ended June 30, 2005, the internal auditors calculated a liability amount of \$10,644,034, when the liability amount should have been \$8,341,435. Also, when submitting the liability amount for the CAFR, the internal auditors failed to include the 2005 amount in the total liability amount and therefore understated the GASB 21 liability amount reported for the CAFR by \$8.3 million. The STO submitted the corrected liability amount for the CAFR after we brought the errors to the STO's attention. The STO should implement adequate procedures to ensure liability calculations are accurate.

Because the potential for entry errors exists and the volume of unclaimed property receipts, reconciliations should be performed to detect errors and irregularities, discrepancies should be resolved in a timely manner, and the resolution should be documented. In addition, someone independent of the Internal Audit Section should review the reconciliations to ensure an adequate follow-up was performed and documented.

WE RECOMMEND the STO establish procedures to ensure the Internal Audit Section investigates and resolves discrepancies noted in the reconciliations they perform. In addition, someone independent of the Internal Audit Section should review the reconciliations to ensure an adequate follow-up was performed and documented.

AUDITEE'S RESPONSE

In January 2005, the State Treasurer's Office converted the Unclaimed Property Tracking system and database to the Wagers SQL Server. The Wagers system is used by 35 other states. This conversion required all system generated reports to be recreated, analyzed, and incorporated into the existing reconciliation process.

We concur with the finding and recommendation in the State Auditor's report that procedures be established to ensure the Internal Audit Section investigates and resolves discrepancies noted in the reconciliations they perform. The Internal Audit Section will investigate and resolve in a timely manner material discrepancies noted in the Abandoned Fund reconciliation. Documentation of the reconciliation, along with any material discrepancies noted and the subsequent follow-up will be reported to the Assistant Deputy Treasurer for final review.

This report is intended for the information and use of the management of the Office of State Treasurer and other applicable government officials. However, pursuant to Section 29.270, RSMo, this report is a matter of public record and its distribution is not limited.

Follow-Up on Prior Audit Findings

OFFICE OF STATE TREASURER
FOLLOW-UP ON PRIOR AUDIT FINDINGS

In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by the Office of the State Treasurer on the finding in the Management Advisory Report (MAR) of our prior audit report issued for the year ended June 30, 2004.

Collateral Securities

- A. Internal audits of the collateral securities system by the State Treasurer's Office (STO) did not ensure the custodial banks properly released the collateral securities in accordance with the custodial contract. Internal Audit staff sent letters requesting additional information to resolve some issues, but did not receive responses and did not follow-up on the requests.
- B. The results of the internal audits were not reported to or reviewed by upper management.

Recommendation:

The STO:

- A. Ensure custodial banks are notified of potential noncompliance with contract requirements and follow up on requests for additional information in a timely manner.
- B. Require the results of the collateral security system audits be summarized and provided to management staff for their review.

Status

- A. Partially implemented. The Internal Audit staff has improved its procedures for following-up on securities released without proper authorization and requests for additional information. However, we noted two instances in which a bank released a security without proper authorization from the STO. Although not repeated in the current MAR, our recommendation remains as stated above.
- B. Implemented.

STATISTICAL SECTION

History, Organization, and
Statistical Information

OFFICE OF STATE TREASURER HISTORY, ORGANIZATION, AND STATISTICAL INFORMATION

The Office of State Treasurer is an elective office as provided in the Missouri Constitution. The duties of the State Treasurer as defined by Article IV Section 15 are to be the custodian of all state funds; to determine the amount of state monies not needed for current operating expenses; and to invest such monies in interest-bearing time deposits, in Missouri banking institutions selected by the State Treasurer and approved by the Governor and State Auditor, in short-term U. S. government securities, or in certain allowable commercial paper and banker's acceptances.

The Office of State Treasurer operates in four major functional areas: 1) accounting and banking services; 2) disbursements and records; 3) investments and deposit programs; and 4) unclaimed property.

The accounting and banking services area: 1) maintains a fund accounting system to fulfill a statutory responsibility to keep separate accounts of the funds of the state and to allocate investment interest to funds; 2) maintains ledger controls on fund balances and appropriations to assure that no check is issued that exceeds the lawful appropriated balances; 3) controls receipt of state monies collected by state agencies and deposited in local banks throughout the state; 4) reconciles bank activity to receipt and disbursement activity reflected on the state books; 5) determines the amount of state monies not needed for current operating expenses, and 6) confirms daily disbursements with the bank as certified by the Office of Administration.

The disbursements and records area provides processing support to other departments of the State Treasurer's office, as follows: 1) provides storage and retrieval of state checks; and 2) controls and processes outlawed checks and processes and verifies claims for replacement checks.

The investments area places state monies not needed for current operating expenses in interest-bearing time deposits, U.S. government and agency securities, commercial paper, banker's acceptances, and repurchase agreements. This area also administers the State Treasurer's statutory linked deposit program and monitors and accounts for the collateralization of state funds.

The Unclaimed Property Division administers Missouri's Unclaimed Property Act (Chapter 447 RSMo). The Unclaimed Property Division is responsible for: 1) ensuring unclaimed property is reported; 2) receiving and recording reports of unclaimed property; 3) depositing unclaimed funds to the Abandoned Fund Account Fund; 4) maintaining custody and safekeeping of abandoned or unclaimed physical property; and 5) processing owner claims for abandoned funds or physical property.

Nancy Farmer became Missouri's forty-third State Treasurer when she took the oath of office January 8, 2001. She was the first woman to serve as State Treasurer in the state's 180-year history. Her term expired in January 2005. On January 10, 2005, Sarah Steelman was inaugurated as the forty-fourth Treasurer of the state of Missouri.

As of June 30, 2005, the office had forty-four full-time positions and five part-time positions to assist in the accomplishment of its mission. An organization chart follows.

OFFICE OF STATE TREASURER
 ORGANIZATION CHART
 JUNE 30, 2005

